

Introduced by

Senators Marcellais, Clemens

Representatives Holman, M. Ruby, Schneider

1 A BILL for an Act to amend and reenact subsection 20 of section 57-02-08, section 57-02-08.8,
2 and subdivision c of subsection 1 of section 57-55-10 of the North Dakota Century Code,
3 relating to the property tax credit for veterans; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 20 of section 57-02-08 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 20. Fixtures, buildings, and improvements up to the amount of valuation specified, when
8 owned and occupied as a homestead, ~~as hereinafter defined,~~ by any of the following
9 persons:

10 a. ~~A paraplegic disabled veteran of the United States armed forces or any veteran~~
11 ~~who has been awarded specially adapted housing by the department of veterans'~~
12 ~~affairs, or the unremarried surviving spouse if such veteran is deceased, for the~~
13 ~~first one hundred twenty thousand dollars of true and full valuation of the fixtures,~~
14 ~~buildings, and improvements.~~

15 b. Any permanently and totally disabled person who is permanently confined to use
16 of a wheelchair, or, if deceased, the unremarried surviving spouse of a
17 permanently and totally disabled person. If the spouse of a permanently and
18 totally disabled person owns the homestead or if it is jointly owned by them, the
19 same reduction in assessed valuation applies as long as both reside ~~thereon at~~
20 the homestead. The provisions of this ~~subdivision~~subsection do not reduce the
21 liability for special assessments levied upon the homestead. ~~The phrase~~
22 ~~"permanently~~

23 a. For purposes of this subsection:

1 (1) "Homestead" has the meaning provided in section 47-18-01 except it also
2 applies to any person who otherwise qualifies under this subsection
3 regardless of whether the person is the head of a family.

4 (2) "Permanently confined to use of a wheelchair" means that the person
5 cannot walk with the assistance of crutches or any other device and will
6 never be able to do so and that a physician selected by the local governing
7 board has so certified.

8 b. Any person claiming an exemption under this subsection for the first time shall
9 file with the county auditor an affidavit showing the facts ~~herein~~ required in this
10 subsection and a description of the property. The affidavit must be open for public
11 inspection. A person thereafter shall furnish to the assessor or other assessment
12 officials when requested to do so any information that is believed will support the
13 claim for exemption for a subsequent year.

14 ~~For purposes of this subsection, and except as otherwise provided in this~~
15 ~~subsection, "homestead" has the meaning provided in section 47-18-01 except that it~~
16 ~~also applies to any person who otherwise qualifies under the provisions of this~~
17 ~~subsection whether or not the person is the head of a family.~~

18 c. The board of county commissioners is ~~hereby authorized to~~ may cancel the
19 unpaid taxes for any year in which the qualifying owner has held title to the
20 exempt property.

21 **SECTION 2. AMENDMENT.** Section 57-02-08.8 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-02-08.8. Property tax credit for disabled veterans - Certification - Distribution.**

24 1. A ~~disabled~~ veteran of the United States armed forces ~~with an armed forces-~~
25 ~~service-connected disability of fifty percent or greater or a disabled veteran who has~~
26 ~~an extra-schedular rating to include individual unemployability that brings the veteran's-~~
27 ~~total disability rating to one hundred percent as determined by the~~ who is receiving a
28 monthly pension from the department of veterans' affairs, ~~who was discharged under~~
29 ~~honorable conditions or who has been retired from the armed forces of the United-~~
30 States, or the unmarried surviving spouse if the ~~disabled~~ veteran is deceased, who
31 is receiving a monthly survivor's pension from the department of veterans' affairs, is

1 eligible for a one hundred percent credit applied against the first six thousand seven-
2 hundred fifty dollars of taxable valuation of the homestead owned and occupied by the
3 disabled veteran or unremarried surviving spouse equal to the percentage of the
4 disabled veteran's disability compensation rating for service-connected disabilities as
5 certified by the department of veterans' affairs for the purpose of applying for a
6 property tax credit. An unremarried surviving spouse who is receiving department of
7 veterans' affairs dependency and indemnity compensation receives a one hundred
8 percent credit as described in this subsection.

9 2. ~~If two disabled veterans are married to each other and living together, their combined~~
10 ~~credits may not exceed one hundred percent of six thousand seven hundred fifty~~
11 ~~dollars of taxable valuation of the homestead. If a disabled veteran co-owns the~~
12 ~~homestead property with someone other than the disabled veteran's spouse, the credit~~
13 ~~is limited to that disabled veteran's interest in the homestead, to a maximum amount~~
14 ~~calculated by multiplying six thousand seven hundred fifty dollars of taxable valuation~~
15 ~~by the disabled veteran's percentage of interest in the homestead property and~~
16 ~~multiplying the result by the applicant's certified disability percentage.~~

17 3. A disabled veteran or unremarried surviving spouse claiming a credit under this
18 section for the first time shall file with the county auditor an affidavit showing the facts
19 herein required in this section, a description of the property, and a certificate from the
20 United States department of veterans' affairs, or its successor, certifying ~~to the amount~~
21 ~~of the disability~~ the veteran or surviving spouse is receiving a monthly pension or
22 survivor's pension. The affidavit and certificate must be open for public inspection. A
23 person shall thereafter furnish to the assessor or other assessment officials, when
24 requested to do so, any information which is believed will support the claim for credit
25 for any subsequent year.

26 4. For purposes of this section, and except as otherwise provided in this section,
27 "homestead" has the meaning provided in section 47-18-01 except that it also applies
28 to a person who otherwise qualifies under the provisions of this section whether the
29 person is the head of the family.

30 5. This section does not reduce the liability of a person for special assessments levied
31 upon property.

- 1 6. A credit under this section terminates at the end of the taxable year of the death of the
2 applicant.
- 3 7. The board of county commissioners may cancel the portion of unpaid taxes that
4 represents the credit calculated in accordance with this section for any year in which
5 the qualifying owner has held title to the homestead property. Cancellation of taxes for
6 any year before enactment of this section must be based on the law that was in effect
7 for that tax year.
- 8 8. Before the first of March of each year, the county auditor of each county shall certify to
9 the tax commissioner on forms prescribed by the tax commissioner the name and
10 address of each person for whom the property tax credit for homesteads of disabled-
11 veterans was allowed for the preceding year, the amount of credit allowed, the total of
12 the tax mill rates of all taxing districts, exclusive of any state mill rates, ~~that~~which was
13 applied to other real estate in the taxing districts for the preceding year, and such other
14 information as may be prescribed by the tax commissioner.
- 15 9. On or before the first of June of each year, the tax commissioner shall audit the
16 certifications, make the required corrections, and certify to the state treasurer for
17 payment to each county the sum of the amounts computed by multiplying the credit
18 allowed for each homestead of a ~~disabled~~ veteran in the county by the total of the tax
19 mill rates, exclusive of any state mill rates that were applied to other real estate in the
20 taxing districts for the preceding year.
- 21 10. The county treasurer upon receipt of the payment from the state treasurer shall
22 apportion and distribute the payment without delay to the county and to the local
23 taxing districts of the county on the basis on which the general real estate tax for the
24 preceding year is apportioned and distributed.
- 25 11. On or before the first day of June of each year, the tax commissioner shall certify to
26 the state treasurer the amount computed by multiplying the property tax credit allowed
27 under this section for homesteads of ~~disabled~~ veterans in the state for the preceding
28 year by one mill for deposit in the state medical center fund.
- 29 12. Supplemental certifications by the county auditor and by the tax commissioner and
30 supplemental payments by the state treasurer may be made after the dates prescribed
31 in this section to make such corrections as may be necessary because of errors or

1 because of approval of an application for abatement filed by a person because the
2 credit provided for the homestead of a disabled veteran was not allowed in whole or in
3 part.

4 **SECTION 3. AMENDMENT.** Subdivision c of subsection 1 of section 57-55-10 of the North
5 Dakota Century Code is amended and reenacted as follows:

6 c. If it is owned and used as living quarters by a disabled veteran or unremarried
7 surviving spouse who meets the requirements of ~~subsection 20 of section~~
8 ~~57-02-08 or~~ section 57-02-08.8.

9 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
10 December 31, 2018.