

HOUSE BILL NO. 1471

Introduced by

Representatives K. Koppelman, Bellew, Fisher, Hagert, Kading, Karls, Schauer, Toman

Senators Clemens, Kannianen

1 A BILL for an Act to amend and reenact subsection 9 of section 57-02-08 of the North Dakota
2 Century Code, relating to a property tax exemption for property of churches; and to provide an
3 effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 9 of section 57-02-08 of the North Dakota Century
6 Code is amended and reenacted as follows:

- 7 9. a. ~~All buildings~~real property~~The land and any buildings on a parcel on which a~~
8 church building is located, and which is owned by ~~any~~ religious corporation or
9 organization and used primarily for the religious purposes of the organization,
10 and if on the same parcel, dwellings with usual outbuildings, intended and
11 ordinarily used for the residence of the bishop, priest, rector, or other minister in
12 charge of services, land directly under and within the perimeter of those
13 buildings, improved off-street parking or reasonable landscaping or sidewalk area
14 adjoining the main church building, and up to a maximum of five additional acres
15 [2.02 hectares] must be deemed to be property used exclusively for religious
16 purposes, and exempt from taxation, ~~whether the real property consists of one~~
17 ~~tract or more.~~ The land and any buildings on a parcel contiguous to the parcel on
18 which a church building is located, which is owned by a religious corporation or
19 organization, is exempt from taxation if any building located on the parcel is used
20 primarily for religious purposes.
- 21 b. ~~If the~~The parsonage and residence of the bishop, priest, rector, or other minister,
22 or other clergy in charge of services ~~is located on property not adjacent to the~~
23 church, that residence, ~~or other clergy, which is owned by the church,~~ with usual
24 outbuildings and land on which it is located, up to two acres [.81 hectare], and not

1 ~~leased or otherwise used with a view to profit,~~ must be deemed to be property
2 used exclusively for religious purposes and is exempt from taxation.

3 ~~b.c. Any real property~~ Up to twenty-five acres of undeveloped land owned by ~~any~~
4 religious corporation or organization ~~and used to further the religious purposes of~~
5 ~~the organization and not leased or otherwise used with a view to profit must be~~
6 ~~deemed to be property used exclusively for religious purposes and for the~~
7 purpose of a future church building or buildings is exempt from taxation. This
8 exemption expires ten years after the taxable year in which the property was
9 acquired by the religious corporation or organization if construction improvements
10 to accommodate a church building have not commenced.

11 d. The exemption for a building used for the religious purposes of the owner
12 continues to be in effect if the building in whole, or in part, is rented to another
13 otherwise tax-exempt corporation or organization, provided no profit is realized
14 from the rent.

15 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
16 December 31, 2020.