

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED 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~~The land and any buildings on a parcel on which a church building is  
8 located, and which is owned by any religious corporation or organization and  
9 used predominantly for the religious purposes of the organization, ~~and if on the~~  
10 ~~same parcel, dwellings with usual outbuildings, intended and ordinarily used for~~  
11 ~~the residence of the bishop, priest, rector, or other minister in charge of services,~~  
12 ~~land directly under and within the perimeter of those buildings, improved off-street~~  
13 ~~parking or reasonable landscaping or sidewalk area adjoining the main church~~  
14 ~~building, and up to a maximum of five additional acres [2.02 hectares] must be~~  
15 ~~deemed to be property used exclusively for religious purposes, and exempt from~~  
16 ~~taxation, whether the real property consists of one tract or more. The land and~~  
17 any buildings on a parcel contiguous to the parcel on which a church building is  
18 located, which is owned by a religious corporation or organization, is exempt from  
19 taxation if any building located on the parcel is used predominantly for religious  
20 purposes.

21 b. If the parsonage and residence of the bishop, priest, rector, ~~or other minister, or~~  
22 other clergy in charge of services is located on property owned by the religious  
23 corporation or organization, which is not adjacent to the church, that residence,  
24 with usual outbuildings and land on which it is located, up to two acres

1                   [.81 hectare], must be deemed to be property used exclusively for religious  
2                   purposes and is exempt from taxation.

3           **b.c.**   Up to twenty acres of undeveloped land owned by a religious corporation or  
4                   organization for the purpose of a future church building or buildings is exempt  
5                   from taxation. This exemption expires ten years after the taxable year in which  
6                   the property was acquired by the religious corporation or organization if  
7                   construction improvements to accommodate a church building have not  
8                   commenced.

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

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