

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2288**

Introduced by

Senators Cook, Laffen, Schaible

Representatives Headland, Howe, Olson

1 A BILL for an Act to create and enact a new section to chapter 57-15 of the North Dakota
2 Century Code, relating to a consolidated taxpayer notice containing estimated property tax
3 levies and budget hearing information; to amend and reenact sections 11-23-04, 40-40-04,
4 40-40-06, 40-40-08, and 40-51.2-06, subdivision c of subsection 1 of section 40-51.2-07,
5 sections 40-51.2-16, 57-02-53, 57-05-01, 57-05-01.1, 57-05-06, 57-05-07, 57-05-08, 57-06-06,
6 57-06-09, 57-06-11, 57-06-12, 57-06-15, 57-06-21, 57-13-02, and 57-15-13 of the North Dakota
7 Century Code, relating to assessment increase notices and property tax levy public hearings,
8 the dates for general taxation of land by a city, notices of dates of assessments and reports for
9 centrally assessed property, the annual meeting of the state board of equalization, and dates for
10 school district tax levies; to repeal sections 11-23-03 and 57-15-02.1 of the North Dakota
11 Century Code, relating to notice of levy increases and public hearings; and to provide an
12 effective date.

13 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

14 **SECTION 1. AMENDMENT.** Section 11-23-04 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 11-23-04. Hearing on budget - Taxpayer may appear.

17 The board of county commissioners shall meet at the time and place designated in the
18 notice prescribed by section ~~11-23-03~~21 of this Act. Any taxpayer who may appear shall be
19 heard in favor of or against any proposed expenditures or tax levies. When the hearing shall
20 have been concluded, the board shall adopt such estimate as finally is determined upon. All
21 taxes shall be levied in specific amounts and shall not exceed the amount specified in the
22 published estimates.

23 **SECTION 2. AMENDMENT.** Section 40-40-04 of the North Dakota Century Code is
24 amended and reenacted as follows:

1 **40-40-04. Municipality to prepare preliminary budget statement.**

2 The governing body of each municipality, annually on or before ~~September~~August tenth,
3 shall make an itemized statement known as the preliminary budget statement showing the
4 amounts of money which, in the opinion of the governing body, will be required for the proper
5 maintenance, expansion, or improvement of the municipality during the year.

6 **SECTION 3. AMENDMENT.** Section 40-40-06 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **40-40-06. Notice of preliminary budget statement - Contents - How given.**

9 After

10 ~~1. On or before August tenth of each year, after~~ the governing body has prepared the
11 preliminary budget statement, the auditor of the municipality shall ~~give notice that:~~

12 ~~1. The preliminary budget is on file in the office of the auditor and may be examined by~~
13 ~~anyone upon request.~~

14 ~~2. The governing body shall meet~~

15 ~~a. Provide the county auditor with a copy of the preliminary budget statement.~~

16 ~~b. Set a public budget hearing date no earlier than September seventh and no later~~
17 ~~than October seventh at the time and place specified in the notice as prescribed~~
18 ~~by subsection 3 for the purpose of adopting the final budget and making the~~
19 annual tax levy.

20 ~~3. The governing body shall hold a public session at the time and place designated in the~~
21 ~~notice of hearing at which any taxpayer may appear and discuss with the body any~~
22 ~~item of proposed expenditures or may object to any item or amount.~~

23 The

24 ~~c. Provide notice of the public budget hearing date to the county auditor.~~

25 ~~2. For municipalities anticipating levying less than one hundred thousand dollars in the~~
26 ~~current year, notice must contain:~~

27 ~~a. Contain a statement of the total proposed expenditures for each fund in the~~
28 preliminary budget, but need not contain any detailed statement of the proposed
29 expenditures. ~~The notice must be:~~

30 ~~b. Be published at least once, not less than six days prior to the budget hearing, in a~~
31 newspaper published in the municipality, if there is one, and if no newspaper is

published in the municipality, the notice must be published not less than six days prior to the meeting in the official city newspaper as provided by section 40-01-09; and

c. Provide that any taxpayer may appear and discuss with the governing body any item of proposed expenditures or may object to any item or amount.

SECTION 4. AMENDMENT. Section 40-40-08 of the North Dakota Century Code is amended and reenacted as follows:

40-40-08. Hearing of protests and objections - Changes in preliminary budget - Preparation of final budget - Contents.

The governing body shall meet at the time and place ~~specified in the notices~~set pursuant to section 40-40-06 and shall hear any and all protests or objections to the items or amounts set forth in the preliminary budget statement. At the hearing, the governing body shall make any changes in the items or amounts shown on the preliminary budget statement as it may deem advisable except as limited in this chapter, and shall prepare the final budget, which must consist of the preliminary budget with the addition of columns showing:

1. The final appropriations for the various expenditure items specified in the preliminary budget statement. The final appropriation of any fund total may not exceed the total amount requested in the preliminary budget.
2. The estimated amount of unencumbered cash on hand at the end of the current year may not include cash or investments of the equipment replacement fund as provided in section 40-40-05.
3. The levy amount determined by subtracting the total resources from the total appropriations and cash reserve for each fund. The governing body may increase the levy an additional five percent for delinquent tax collections.
4. The certificate of levy which includes a summary of the amount levied for each fund and the total amount levied.

SECTION 5. AMENDMENT. Section 40-51.2-06 of the North Dakota Century Code is amended and reenacted as follows:

40-51.2-06. Petition of owners and electors - Annexation or exclusion - Classification of annexed agricultural lands for tax purposes.

If the governing body annexes the area, it shall do so by ordinance. When a copy of the ordinance and an accurate map of the annexed area, certified by the executive officer of the city, are filed and recorded with the county recorder, the annexation becomes effective. An annexation is effective for the purpose of general taxation on and after the first day of the next ~~February~~January. However, the city shall continue to classify as agricultural lands for tax purposes all lands in the annexed area which were classified as agricultural lands immediately before the annexation proceedings until those lands are put to another use. If the governing body determines to exclude the area petitioned for, it may do so by ordinance adopted and recorded as in the case of annexation.

SECTION 6. AMENDMENT. Subdivision c of subsection 1 of section 40-51.2-07 of the North Dakota Century Code is amended and reenacted as follows:

- c. In the absence of protests filed by the owners of more than one-fourth of the territory proposed to be annexed as of the date of the adoption of the resolution, the territory described in the resolution becomes a part of the city. When a copy of the resolution and an accurate map of the annexed area, certified by the executive officer of the city, are filed and recorded with the county recorder, the annexation becomes effective. Annexation is effective for the purpose of general taxation on and after the first day of the next ~~February~~January. However, the city shall continue to classify as agricultural lands for tax purposes all lands in the annexed area which were classified as agricultural lands immediately before the annexation proceedings until those lands are put to another use.

SECTION 7. AMENDMENT. Section 40-51.2-16 of the North Dakota Century Code is amended and reenacted as follows:

40-51.2-16. Effective date of annexation by administrative law judge - Classification of annexed agricultural lands for tax purposes.

Territory annexed to a city pursuant to petition to the director of the office of administrative hearings is annexed as of the date of the order of the administrative law judge, except for tax purposes, and a copy of the resolution with an accurate map of the annexed area, certified by the executive officer of the city, must be filed and recorded with the county recorder. Annexation

1 is effective for the purpose of general taxation on and after the first day of the next
2 ~~February~~January. However, the city shall continue to classify as agricultural lands for tax
3 purposes all lands in the annexed area which were classified as agricultural lands immediately
4 before the annexation proceedings until those lands are put to another use.

5 **SECTION 8. AMENDMENT.** Section 57-02-53 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-02-53. Assessment increase notice to property owner.**

- 8 1. a. When any assessor has increased the true and full valuation of any lot or tract of
9 land and improvements to an amount that is an increase of three thousand
10 dollars or more and ten percent or more from the amount of the previous year's
11 assessment, the assessor shall deliver written notice of the amount of increase
12 and the amount of the previous year's assessment to the property owner at the
13 expense of the assessment district for which the assessor is employed. Delivery
14 of written notice to a property owner under this subdivision must be completed at
15 least fifteen days before the meeting of the local board of equalization.
- 16 b. If written notice by the assessor was not required under subdivision a and action
17 by the township, city, or county board of equalization or order of the state board
18 of equalization has increased the true and full valuation of any lot or tract of land
19 and improvements to an amount that results in a cumulative increase of three
20 thousand dollars or more and ten percent or more from the amount of the
21 previous year's assessment, written notice of the amount of increase and the
22 amount of the previous year's assessment must be delivered to the property
23 owner. The written notice under this subdivision must be mailed or delivered at
24 the expense of the township, city, or county that made the assessment increase
25 or at the expense of the township, city, or county that was ordered to make the
26 increase by the state board of equalization. Delivery of written notice to a
27 property owner under this subdivision must be completed within fifteen days after
28 the meeting of the township, city, or county board of equalization that made or
29 ordered the assessment increase and within thirty days after the meeting of the
30 state board of equalization, if the state board of equalization ordered the
31 assessment increase.

1 c. The tax commissioner shall prescribe suitable forms for written notices under this
2 subsection. The written notice under subdivision a must show the true and full
3 value of the property, including improvements, that the assessor determined for
4 the current year and for the previous year and must also show the date
5 prescribed by law for the meeting of the local board of equalization of the
6 assessment district in which the property is located and the meeting date of the
7 county board of equalization.

8 d. Delivery of written notice under this section must be by personal delivery to the
9 property owner, mail addressed to the property owner at the property owner's
10 last-known address, or electronic mail to the property owner directed with
11 verification of receipt to an electronic mail address at which the property owner
12 has consented to receive notice.

13 2. The form of notice prescribed by the tax commissioner must require a statement to
14 inform the taxpayer that an assessment increase does not mean property taxes on the
15 parcel will increase. ~~The notice must state that each taxing district must provide mailed~~
16 ~~notice of public hearing to the property owner if a greater property tax levy is being~~
17 ~~proposed than a zero increase number of mills.~~ The notice may not contain an
18 estimate of a tax increase resulting from the assessment increase.

19 3. ~~The assessor shall provide an electronic or printed list including the name and address~~
20 ~~of the addressee of each assessment increase notice required under subdivision a of~~
21 ~~subsection 1 and the officer responsible for providing notice under subdivision b of~~
22 ~~subsection 1 shall provide an electronic or printed list including the name and address~~
23 ~~of the addressee of each assessment increase notice required under subdivision b of~~
24 ~~subsection 1 to each city, county, school district, or city park district in which the~~
25 ~~subject property is located, but a copy does not have to be provided to any such taxing~~
26 ~~district that levied a property tax levy of less than one hundred thousand dollars for the~~
27 ~~prior year.~~

28 **SECTION 9. AMENDMENT.** Section 57-05-01 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **57-05-01. Railroad property to be assessed by state board of equalization.**

2 The state board of equalization, at its annual meeting in ~~August~~July in each year, shall
3 assess, at its actual value on the first day of January of that year, the operating property,
4 including franchises, of each railroad operated in this state, including any electric or other street
5 or interurban railway. If any railroad allows any portion of its railway to be used for any purpose
6 other than the operation of a railroad, the portion of its railway while so used must be assessed
7 in a manner provided for the assessment of other real property. To enable the board to make a
8 correct valuation of property, it shall have access to all reports, estimates, and surveys of a line
9 of railroad on file in the office of the public service commission and has power to summon and
10 compel the attendance of witnesses, and to examine witnesses under oath in any matter
11 relating to the value of the property. In fixing the value of any railroad, and of branch lines and
12 sidetracks, the board must be governed by the rules prescribed for county and township
13 assessors in valuing other property in this state. The board shall make a record of the value
14 placed by it upon the property of the railroad, including the valuation per mile [1.61 kilometers]
15 of main line and of branch lines and sidetracks. Railroad property held in trust by the public
16 service commission for purposes of reorganization or reopening of the railway line is exempt
17 from assessment as provided in this section.

18 **SECTION 10. AMENDMENT.** Section 57-05-01.1 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **57-05-01.1. Tentative assessment - Notice of hearing.**

- 21 1. The tax commissioner, on or before ~~July~~June fifteenth of each year, shall ascertain
22 and determine the value of, and a tentative assessment of, all operative property of
23 any company required to be assessed under the provisions of this chapter. ~~Such~~The
24 determination of value must be made for the guidance of the state board of
25 equalization in assessing ~~such~~the property at its annual meeting in ~~August~~July. In
26 making ~~such~~this determination of value, the tax commissioner must be governed by
27 the rules ~~laid down by~~provided in this chapter.
- 28 2. The tax commissioner shall give ten days' notice by mail to each company, or its
29 representative in North Dakota, of the amount of its tentative assessment; and ~~shall~~
30 ~~appoint a time and place between~~the meeting of the state board of equalization on the
31 ~~first~~second Tuesday of ~~August and the first day of September~~July, at which meeting

1 each company is entitled to present evidence before the state board of equalization
2 relating to the value of the property of the company.

3 **SECTION 11. AMENDMENT.** Section 57-05-06 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **57-05-06. County auditor to send maps to railroad corporation.**

6 The county auditor of each county in the state shall ~~mail~~provide to each railroad corporation
7 doing business in that county, on or before the first day of ~~March~~February of each year, an
8 accurate map of the county showing the boundaries of each assessment district.

9 **SECTION 12. AMENDMENT.** Section 57-05-07 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **57-05-07. Railroad shall file information with county auditor.**

12 Every railroad corporation, on or before the fifteenth day of ~~February~~January in each year,
13 shall file in the office of the county auditor of each county in the state in which ~~said~~the
14 company's lines are located:

- 15 1. The name of the corporation.
- 16 2. The principal place of doing business.
- 17 3. The names and post-office addresses of the president, secretary, and treasurer of the
18 corporation.

19 **SECTION 13. AMENDMENT.** Section 57-05-08 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **57-05-08. Report by railroad corporation to state tax commissioner.**

22 Each railroad corporation required to be assessed under the provisions of this chapter
23 annually shall, on or before ~~May~~April first of each year, under oath of the presiding or other chief
24 executive officer, make and file ~~in such~~on the form and in the manner as the tax commissioner
25 may prescribe a report containing the following information:

- 26 1. The name of the company;
- 27 2. The laws of what state or country organized, the date of original organization, the date
28 of reorganization, consolidation, or merger, with specific reference to laws authorizing
29 the same;
- 30 3. Location of its principal office;
- 31 4. The name of the place where its books, papers, and accounts are kept;

- 1 5. The name and post-office address of the president, secretary, treasurer, auditor,
2 superintendent, general manager, and all other general officers;
- 3 6. The name and post-office address of the chief officer or managing agent of the
4 company in North Dakota and of all other general officers residing in this state;
- 5 7. The total number of shares of capital stock;
- 6 8. The par value of the shares of the capital stock for the whole system, showing
7 separately the amount authorized, amount issued, amount outstanding, and dividends
8 paid thereon;
- 9 9. If such capital stock has no market value, the actual value on the dates and for the
10 periods designated by the tax commissioner of this state;
- 11 10. The funded debt of the company for the whole system and a detailed statement of all
12 series of bonds, debentures, or other securities, forming a part of the funded debt, at
13 par value, with the date of issue, maturity, rate of interest, and amount of interest for
14 the preceding year;
- 15 11. The market value of each series of funded debt securities for the whole system on the
16 dates and for the periods designated by the tax commissioner, and if the whole or a
17 part of ~~such~~the funded debt has no market value, then the actual value thereof for
18 ~~such~~the dates and periods as the tax commissioner may specify;
- 19 12. Such general description of the operative and nonoperative real estate of the company
20 in North Dakota as would be sufficient in a conveyance thereof, under a judicial
21 decree, to vest in the grantee all title and interest in and to the said property;
- 22 13. A description of the personal property of the company;
- 23 14. The number of miles [kilometers] of each main line of railroad, the number of miles
24 [kilometers] of each branch line and sidetracks thereof within the state of North
25 Dakota;
- 26 15. The entire gross earnings of the company from operation, expenses of operation, net
27 earnings and income from operation, and the income from other sources, for the whole
28 system, and in North Dakota, for the years or period the tax commissioner may
29 request or specify, not exceeding five years;

- 1 16. The location of the property of the company within this state by counties,
2 municipalities, and districts, in ~~such~~the manner and ~~in such~~ detail as the tax
3 commissioner shall prescribe; and
- 4 17. ~~Such other~~Other facts and information as the tax commissioner may require in the
5 form of returns prescribed by the tax commissioner or which the company may deem
6 material upon the question of taxation of its property in this state.

7 **SECTION 14. AMENDMENT.** Section 57-06-06 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-06-06. Reports of companies.**

10 Each company required to be assessed under the provisions of this chapter annually, on or
11 before the ~~first~~fifteenth day of ~~May~~April, under oath of the president or other chief executive
12 officer, and the secretary or treasurer or auditor or superintendent of such company, shall make
13 and file with the tax commissioner, in ~~such~~the form as the tax commissioner may prescribe, a
14 report containing the following information, so far as applicable to the company making ~~such~~the
15 report, as of January first of the year in which the report is furnished:

- 16 1. The name of the company.
- 17 2. The nature of the company, whether a person, association, corporation, or limited
18 liability company, and under the laws of what state or country organized, the date of
19 original organization, the date of reorganization, consolidation, or merger, with specific
20 reference to laws authorizing the same.
- 21 3. Location of its principal office.
- 22 4. The name of the place where its books, papers, and accounts are kept.
- 23 5. The name and post-office address of the president, secretary, treasurer, auditor,
24 superintendent, general manager, and all other general officers.
- 25 6. The name and post-office address of the chief officer or managing agent of the
26 company in North Dakota and of all other general officers residing in this state.
- 27 7. The total number of shares of capital stock.
- 28 8. The par value of the shares of the capital stock for the whole system, showing
29 separately the amount authorized, amount issued, amount outstanding, and dividends
30 paid thereon.

- 1 9. If ~~such~~the capital stock has no market value, the actual value on the dates and for the
- 2 periods designated by the tax commissioner of this state.
- 3 10. The funded debt of the company for the whole system and a detailed statement of all
- 4 series of bonds, debentures, or other securities, forming a part of the funded debt, at
- 5 par value, with the date of issue, maturity, rate of interest, and amount of interest for
- 6 the preceding year.
- 7 11. The market value of each series of funded debt securities for the whole system on the
- 8 dates and for the periods designated by the tax commissioner, and if the whole or a
- 9 part of ~~such~~the funded debt has no market value, then the actual value thereof for
- 10 ~~such~~the dates and periods as the tax commissioner may specify.
- 11 12. ~~Such~~The general description of the operative and nonoperative real estate of the
- 12 company in North Dakota as would be sufficient in a conveyance thereof, under a
- 13 judicial decree, to vest in the grantee all title and interest in and to the said property.
- 14 13. A description of the personal property, including moneys and credits, held by the
- 15 company as a whole system, and the part thereof apportioned to the line in North
- 16 Dakota.
- 17 14. The whole length of the lines of the system operated by the company and the length of
- 18 the lines in North Dakota, whether operated as owner, lessee, or otherwise. The length
- 19 of the line operated for the whole system and in North Dakota shall be separately
- 20 reported.
- 21 15. The entire gross earnings of the company from operation, expenses of operation, net
- 22 earnings and income from operation, and the income from other sources, for the whole
- 23 system, and in North Dakota, for the years or period the tax commissioner may
- 24 request or specify, not exceeding five years.
- 25 16. The location of the property of the company within this state by counties,
- 26 municipalities, and districts, in ~~such~~the manner and ~~in such~~ detail as the tax
- 27 commissioner shall prescribe.
- 28 17. Other facts and information as the tax commissioner may require or which the
- 29 company may deem material relating to the taxation of its property in this state.

30 **SECTION 15. AMENDMENT.** Section 57-06-09 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **57-06-09. Penalty for failure to furnish report.**

2 If any company refuses or neglects to make the report required by this chapter or refuses or
3 neglects to furnish any information requested, the tax commissioner shall obtain the best
4 information available on the facts necessary to be known in order to discharge the tax
5 commissioner's duties with respect to the valuation and assessment of the property of the
6 company. If any company fails to make the report required under this chapter on or before the
7 ~~first~~fifteenth day of ~~May~~April of any year, the state board of equalization shall add ~~ten~~twenty
8 percent to the assessed value of the property of the company for that year, but the tax
9 commissioner, upon written application received on or before the ~~first~~fifteenth day of ~~May~~April,
10 may grant an extension of time through the first day of ~~June~~May to file the required report. If any
11 company fails to make the report required under this chapter on or before the first day of
12 ~~July~~June of any year, the state board of equalization shall add an additional ten percent to the
13 assessed value of the property of the company for that year. On or before the ~~fifteenth~~first day
14 of ~~July~~June, for good cause shown, the tax commissioner may waive all or any part of the
15 penalty that attached under this section.

16 **SECTION 16. AMENDMENT.** Section 57-06-11 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **57-06-11. Tentative valuation by tax commissioner.**

19 The tax commissioner, on or before ~~July~~June ~~fifteenth~~ of each year, shall ascertain and
20 determine the value of all operative property of any company required to be assessed under the
21 provisions of this chapter. ~~Such~~This determination of value must be made for the guidance of
22 the state board of equalization in assessing ~~such~~the property at its annual meeting in
23 ~~August~~July. In making ~~such~~the determination of value, the tax commissioner must be governed
24 by the rules ~~laid down by~~provided in this chapter and by ~~such directions as may be~~direction
25 given to the tax commissioner by the state board of equalization.

26 **SECTION 17. AMENDMENT.** Section 57-06-12 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **57-06-12. Tentative assessment to be made and notice of hearing.**

29 The tax commissioner shall give ten days' notice by mail to each company, or its
30 representative in North Dakota, of the amount of its tentative assessment and ~~shall appoint a~~
31 ~~time and place, between~~the meeting of the state board of equalization on the first~~second~~

1 Tuesday of ~~August and the first day of September~~July, at which meeting each company is
2 entitled to present evidence before the state board of equalization relating to the value of the
3 property of the company.

4 **SECTION 18. AMENDMENT.** Section 57-06-15 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-06-15. Assessment by state board of equalization - Notice of increase.**

7 The state board of equalization may adopt the tentative assessment of the tax
8 commissioner in whole or in part. The valuation and tentative assessments made by the tax
9 commissioner must be considered merely findings of fact of the executive officer of the board.
10 The state board of equalization shall review ~~such~~the valuation and tentative assessment at the
11 time of its annual meeting in ~~August~~July of each year and then shall make a final assessment of
12 ~~such~~the property. It may increase or lower the entire assessment, or any assessment contained
13 therein, on any item contained within the assessment of any company. Before the state board of
14 equalization may make an increase in the assessed valuation of the property of ~~any such~~the
15 company over the valuation contained in the tentative assessment, notice must be given to the
16 company of ~~any such~~the proposed increase and a hearing granted thereon. A ten-day written
17 notice of the proposed increase and hearing must be given to the company ~~in such instance~~,
18 either by mail addressed to the company, or personally served on a duly authorized agent of the
19 company.

20 **SECTION 19. AMENDMENT.** Section 57-06-21 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **57-06-21. Reports to county auditors.**

23 On or before the fifteenth day of ~~March~~February of each year, each company required to be
24 assessed under this chapter shall file with the county auditor of each county within which any
25 part of its operative property is located a report giving a general description of all its property
26 located within the county, with operative and nonoperative property listed separately. The report
27 must give the length of the line or lines within the county and the length in each taxing district of
28 each line constituting part of a single and continuous line or property. The company also shall
29 file with the county auditor and the tax commissioner a map of all of its lines within the county
30 showing clearly the length of its lines within each taxing district as of January first of that year.
31 To facilitate the making of the maps, the county auditor, on or before the first day of

February~~January~~ of each year, shall provide to each company a current map of the county showing the boundaries of each taxing district in the county.

SECTION 20. AMENDMENT. Section 57-13-02 of the North Dakota Century Code is amended and reenacted as follows:

57-13-02. Annual meeting to assess taxable property.

The state board of equalization shall meet annually on the ~~first~~second Tuesday in ~~August~~July at the office of the state tax commissioner and shall assess all of the taxable property which such board is required to assess pursuant to and in accordance with the provisions of section 4 of article X of the Constitution of North Dakota, as amended, and the statutes of this state.

SECTION 21. A new section to chapter 57-15 of the North Dakota Century Code is created and enacted as follows:

Estimated property tax and budget hearing notice.

1. On or before August tenth of each year the governing body of a taxing district shall provide to the county auditor in each county in which the taxing district has taxable property a preliminary budget statement and the date, time, and location of the taxing district's public hearing on its property tax levy, which may be no earlier than September seventh. A taxing district that fails to provide the information required under this subsection on or before August tenth may not impose a property tax levy in a greater amount of dollars than was imposed by the taxing district in the prior year.
2. By August thirty-first of each year the county treasurer shall provide a written notice to the owner of each parcel of taxable property with a total estimated property tax of at least one hundred dollars. The text of the notice must contain:
 - a. The date, time, and location of the public budget hearing for each of the taxing districts in which the property owner's parcel is located, which anticipate levying in excess of one hundred thousand dollars in the current year, and the location at which the taxing district's budget is available for review;
 - b. The true and full value of the property based on the best information available;
 - c. A column showing the actual property tax levy in dollars against the parcel by the taxing district that levied taxes against the parcel in the immediately preceding taxable year and a column showing the estimated property tax levy in dollars

1 against the parcel by the taxing district levying tax in the taxable year for which
2 the notice applies based on the preliminary budget statements of all taxing
3 jurisdictions:

4 d. A column indicating the difference between the taxing district's total levy from the
5 previous year and the taxing district's estimated levy with the word "INCREASE"
6 printed in boldface type if the proposed tax levy is larger in dollars than the levy in
7 dollars in the previous year;

8 e. Information identifying the estimated property tax savings that will be provided
9 pursuant to section 57-20-07.1 based on the best information available; and

10 f. A statement that there will be an opportunity for citizens to present oral or written
11 comments regarding each taxing district's property tax levy.

12 3. Delivery of written notice under this section must be by personal delivery to the
13 property owner, mail addressed to the property owner at the property owner's
14 last-known address, or electronic mail to the property owner directed with verification
15 of receipt to an electronic mail address at which the property owner has consented to
16 receive notice. If a parcel of taxable property is owned by more than one owner, notice
17 must be sent to only one owner of the property. Failure of an owner to receive a notice
18 under this section will not relieve the owner of property tax liability or modify the
19 qualifying date under section 57-20-09 for which an owner may receive a discount for
20 early payment of tax.

21 4. The tax commissioner shall prescribe suitable forms for written notices under this
22 section.

23 5. The direct cost of providing taxpayer notices under this section may be allocated in a
24 manner proportionate to the number of notices mailed on behalf of each taxing district
25 that intends to levy in excess of one hundred thousand dollars in property taxes in the
26 current year.

27 **SECTION 22. AMENDMENT.** Section 57-15-13 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **57-15-13. School district tax levies.**

30 School district taxes must be levied by the governing body of each school district on or
31 before the ~~fifteenth~~tenth day of August of each year. The governing body of the school district

1 may amend its tax levy and budget for the current fiscal year on or before the tenth day of
2 October of each year but the certification must be filed with the county auditor within the time
3 limitations under section 57-15-31.1. Taxes for school district purposes must be based upon an
4 itemized budget statement which must show the complete expenditure program of the district
5 for the current fiscal year and the sources of the revenue from which it is to be financed. The
6 school board of each public school district, in levying taxes, is limited by the amount necessary
7 to be raised for the purpose of meeting the appropriations included in the school budget of the
8 current fiscal year, and the sum necessary to be provided as an interim fund, together with a tax
9 sufficient in amount to pay the interest on the bonded debt of the district and to provide a
10 sinking fund to pay and discharge the principal thereof at maturity.

11 **SECTION 23. REPEAL.** Sections 11-23-03 and 57-15-02.1 of the North Dakota Century
12 Code are repealed.

13 **SECTION 24. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
14 December 31, 2017.