

NDTOA Membership Adopts Property Tax Measure Resolution

Posted 12/06/23 (Wed)

North Dakota Township Officers Association

Resolution 2023-1

Opposition to the Property Tax Elimination Ballot Measure

Whereas, an initiated constitutional petition has been approved to be circulated to put a question on the 2024 election ballot to eliminate the ability for political subdivisions to levy property tax; and

Whereas, the petition provides for political subdivisions to receive property tax replacement payments from state revenues but does not specify which state revenues would be used to fill local needs; and

Whereas, property taxes levied by townships at their respective annual meetings in 2022 totaled \$32.2 million; and

Whereas, currently the electors of a township voting at their annual meetings have the power to make decisions about the amount of property tax to levy **upon themselves** based on the townships locally evaluated needs; and

Whereas, without the ability to tax themselves according to local needs, the more than 1300 individual townships currently levying property taxes would potentially need to present their budget to the legislature for approval, or worse, be subject to a “one size fits all” appropriation, every 2 years;

Now, therefore, be it resolved that the North Dakota Township Officers Association opposes the property tax elimination ballot measure, and

Be it further resolved that the NDTOA will communicate this membership resolution to appropriate stakeholders, officials and the NDTOA Membership.

Adopted by the NDTOA Membership, December 4, 2023

2023 RESOLUTIONS BY THE NORTH DAKOTA ASSOCIATION OF COUNTIES AND THE NORTH DAKOTA COUNTY COMMISSIONERS ASSOCIATION

2023-01. Opposition to Elimination of Property Tax. A petition drive is currently underway to place a measure on the ballot eliminating all property taxes. Property tax is a locally assessed tax that is crucial to funding local political subdivisions. Although the potential measure states the lost revenue would be replaced by State dollars, it is unclear where the legislature would find the required dollars. More concerning though is without a local funding mechanism, political subdivisions would be reliant on the State Legislature's funding decisions on a two-year basis. This association supports keeping property tax as a tool in the toolbox to adequately fund local services. **New Resolution**

Special Order of Business

Family Farming and Property Tax

December 2023

North Dakota Farmers Union Convention-Approved

NDFU supports a tax structure that provides a reasonable balance of income, property and sales tax revenues. We are concerned by the growing burden of property taxes on landowners. We support efforts to reduce the property tax burden while maintaining local services and infrastructure funding. We encourage the state legislature and political subdivisions to work toward a more balanced tax structure.

However, NDFU also recognizes the important role property taxes play within a balanced tax structure. Property taxes are levied locally and controlled locally to address local needs. Property taxes are important for upgrading and maintaining rural roads and supporting public schools. Property taxes also fund many local services, including fire, ambulance and public safety, water systems and public libraries.

NDFU opposes efforts to eliminate property tax. Eliminating property taxes will force political subdivisions to rely on the state for funding critical needs. This will disproportionately harm rural communities and lead to declining services and infrastructure.

Tax Policy

Property Taxation

We believe all federal or state land used for production, for livestock or crop production, should be taxed at the same rate as surrounding land. We believe a portion of energy tax dollars collected should remain in impacted counties where they are generated to adequately offset losses of property taxes and expenditures caused by development and growth.

We favor valuation of agricultural land, for tax purposes, be based on the current productivity formula.

We are in favor of property tax relief, and support property tax reform.

We believe the productivity formula should be the standard for the assessment of agriculture property. All applicable modifiers should be applied including land use when calculating Ag land property tax.