

Sixty-seventh
Legislative Assembly
of North Dakota

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 primarily for the religious purposes of the organization, ~~and if on the same~~
10 ~~parcel, dwellings with usual outbuildings, intended and ordinarily used for the~~
11 ~~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 primarily 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 not adjacent to the
23 church, that residence, with usual outbuildings and land on which it is located, up

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

3 **b.c.** Up to twenty-five 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.