



ASSESSMENT DEPARTMENT

April 11, 2023

City Board of Equalization:

The 2023 annual report of the Fargo Assessment Department summarizes the valuation of properties in the city. It also includes the effect of exemptions and other incentives which ultimately result in an estimate of the 2023 taxable value for the City of Fargo. The city budget divided by the total taxable value are the two components which determine the mill levies, or tax rates, for properties within the three school district boundaries in the city. The final taxable value and levies will be set in the fall after all taxing entities have approved their budgets.

An important element in assessment is uniformity. Assessment personnel apply many tools to achieve uniform values among similar property types. Additionally, taxpayers are allowed input in the process by their right to appeal their valuation. The City Board of Equalization is one of the opportunities for them to appeal. The Board may change the valuation and assessment of any property as is reasonable to render taxation uniform.

Appraisal and assessment is a systematic process of collecting and analyzing data to arrive at well-reasoned estimates of value as of a specific date. North Dakota statute states that values for assessment are to be as of February 1st of the year. Values we have arrived at for the 2023 assessment year were done so by collecting property data and analyzing sales transactions occurring prior to January 1, 2023.

In the event there are external forces that may impact the value of real estate, negatively or positively, in Fargo between now and the next assessment date of February 1, 2024, that will be reflected in the assessment roll that will be presented to you at next year's City Board of Equalization meeting.

Sincerely,

Mike Splonskowski
Fargo Assessor

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Overview of Assessment Function

The function of the Fargo Assessment Department is to maintain a record of property ownership boundaries and to appraise all property in Fargo. This encompasses many varied tasks and responsibilities, but all serve that overall objective.

Property Ownership Maintenance

This is accomplished by analysis of the various instruments by which property rights may be acquired, transferred, or disposed of. This department collects all such instruments that have been legally recorded. The status of property ownership is reflected in the city on a real time basis.

Therefore, each year's tax bill for a property reflects the ownership according to the most recently recorded property transfers. Tax bills normally are sent by the Cass County Treasurer in mid-December.

Property Appraisal

Extensive analysis of the factors affecting the value of all classes of property is conducted by this department. Once the forces that affect property value are quantified, new and existing properties are appraised on an individual basis. This is done by appraising all new properties as they are constructed and periodically reappraising existing properties by type, location and various other criteria.

Market forces that affect the value of real estate over broad subclasses of property are dealt with by the Assessment Department through a process called *value trending*. This involves applying value changes uniformly across various classes of property based upon careful statistical analysis.

Property Taxes

Property taxes are determined by each local political body (city, county, school, etc.) by setting their budget. This process determines how much revenue must come from property taxes. The work of the Assessment Department determines the distribution of each property's share of that tax burden. In order to calculate gross taxes on a property, the following formula is used:

$$\text{Assessor's Value} \times \text{Assm't Ratio} \times \text{Assm't Factor} \times \text{Mill Levy} = \text{Gross Tax}$$

The Assessment Ratio is 50% for all properties. The Assessment Factor is 9% for residential and 10% for all other classes of property. The mill levies in the City of Fargo for 2022 were 301.50 mills in School District #1, 283.22 in School District #6, and 299.54 in School District #2.

Legal Requirements

Sales Ratio

The Sales Ratio study is the primary measure of an assessment. The assessed, or True and Full value, is divided by the sales price of properties that have sold. This gives the sales ratio as a percentage. The median (middle) sales ratio is set on an annual basis by the State Supervisor of Assessments. Assessors statewide are required to meet this standard.

For 2023, the acceptable median sale ratio is set between 90-100%.

Outside of that range, the State Board of Equalization can order changes in values, according to class and at a level needed to bring the ratio into compliance. Therefore, the median sale ratio of arms-length transactions that occurred in the City of Fargo needs to fall in that range. If the market value is higher than the assessment (low ratio), then an increase to assessed values is required to be closer to the market. If the market is lower than the assessment (high ratio), then a reduction in assessed values is warranted.

Recapped below are the City of Fargo sales ratios before and after our 2023 valuation efforts.

2023 valuations result in adjusted median sale ratios of:

PROPERTY CLASS	MEDIAN RATIO BEFORE	MEDIAN RATIO AFTER
Commercial	83.3%	90.7%
Residential	86.6%	94.5%

As a result of our local efforts, we were able to come to within statutory guidelines on our overall valuation.

Professional Standards

Statistical Measures

We also adhere to standards, set by the international professional organization, that measure the accuracy and equity of an assessment. These standards are for statistical measures and consist of the following:

Measure	Purpose	Governing Body	Acceptable Range	Fargo's Current
Median Sale Ratio	Appraisal Level	ND State Board of Equalization	90-100%	94.5%R - 90.7%C
COD	Horizontal Equity	IAAO	5.00 – 15.00	6.15 R – 13.00 C
PRD	Vertical Equity	IAAO	.98 - 1.03	1.01
PRB	Vertical Equity	IAAO	-0.05 – 0.05	-0.01

The coefficient of dispersion (COD) measures how closely the sales ratios are gathered around the median, and is an indication of the uniformity, or consistency, of the assessment relative to the market.

The price-related differential (PRD) and price-related bias (PRB) both have to do with vertical equity, or the level of equality in the assessment of low and high-value properties. Assessments are considered either regressive or progressive.

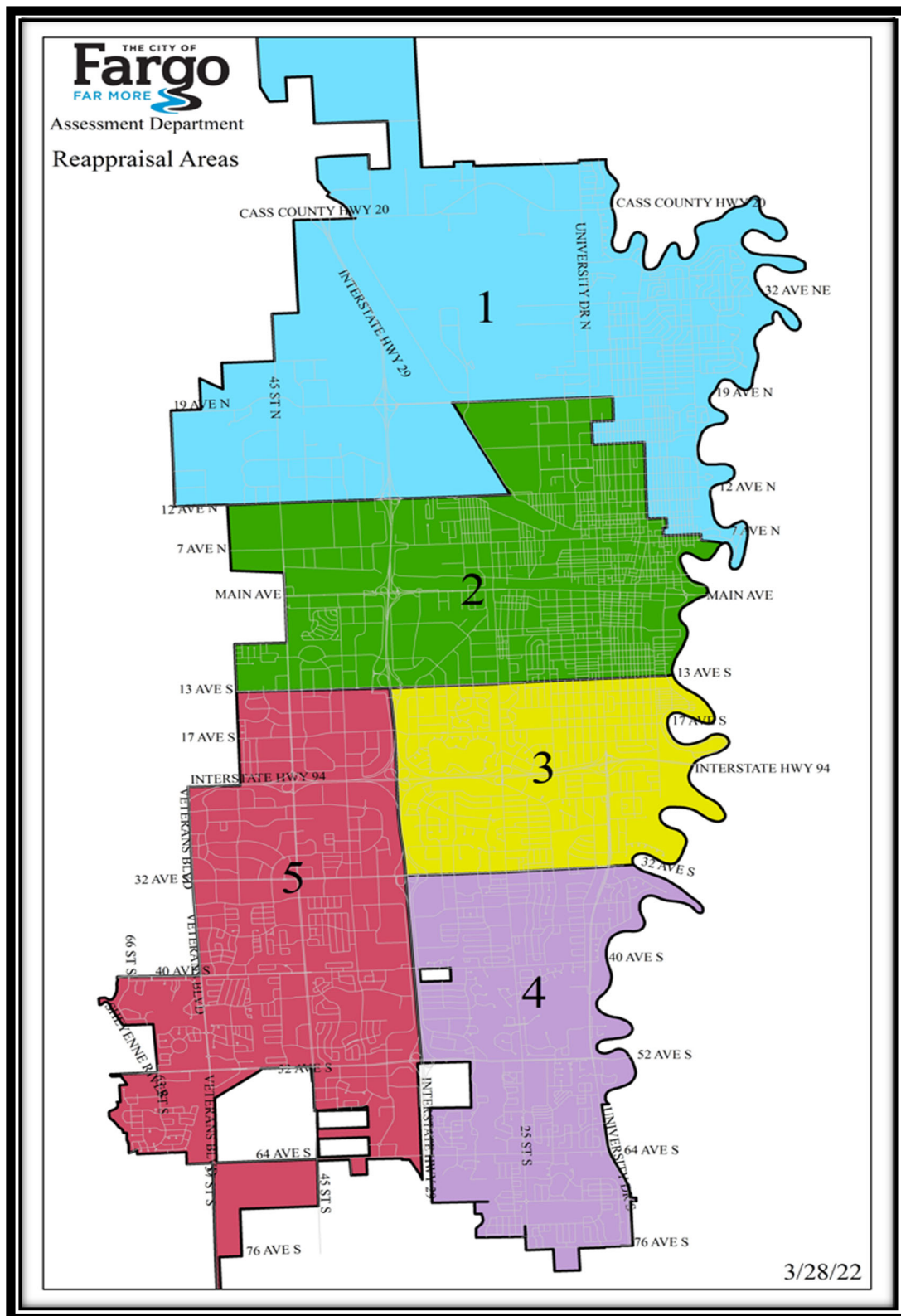
Regressive = High value properties are *under* assessed relative to low-value properties

Progressive = High value properties are *over* assessed relative to low value properties

Fargo's numbers (shown above) are well within professional standards, showing an acceptable range of horizontal and vertical equity.

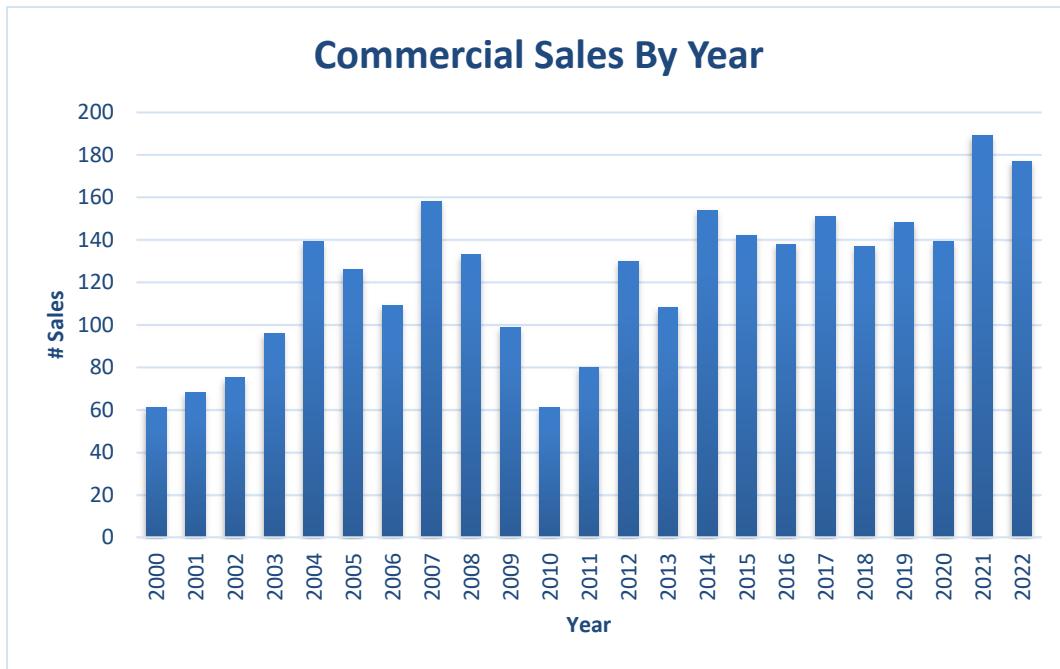
We follow the 5 year, or quintile, standard, for physical review of properties for information accuracy. During this process we take the properties in one area per year, and build our reappraisal model from the ground up, using updated information and market rates. This process involves approximately 6,500 parcels per year. Our assessments are only as accurate as our data, so we strive to review as many properties as possible. The map of our reappraisal area is on the next page.

Quintile Reappraisal Areas

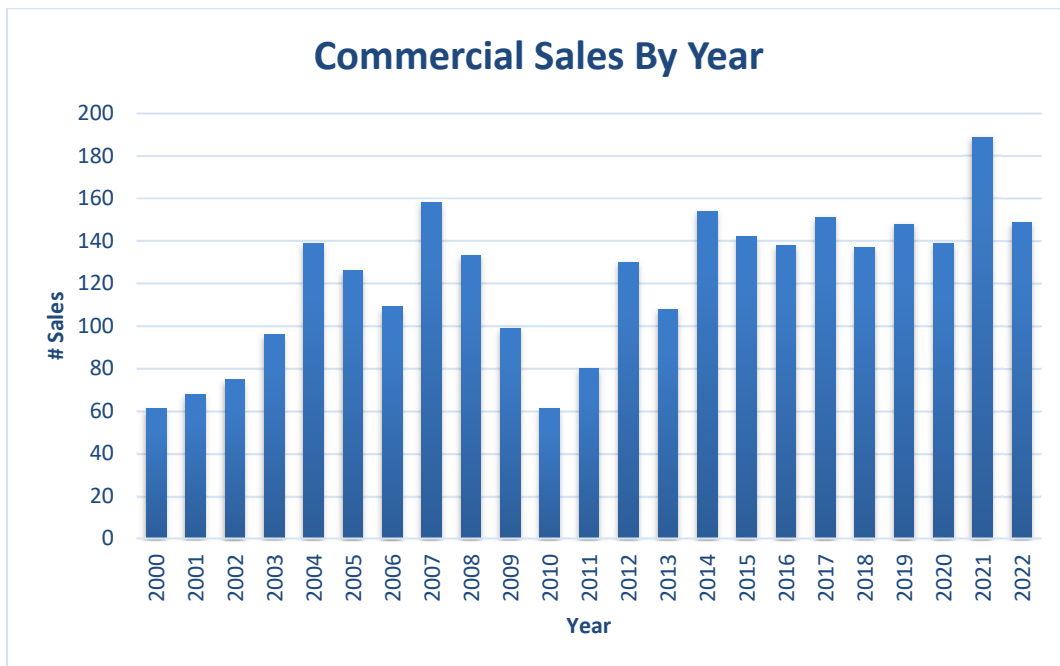


Property Sales – Overall

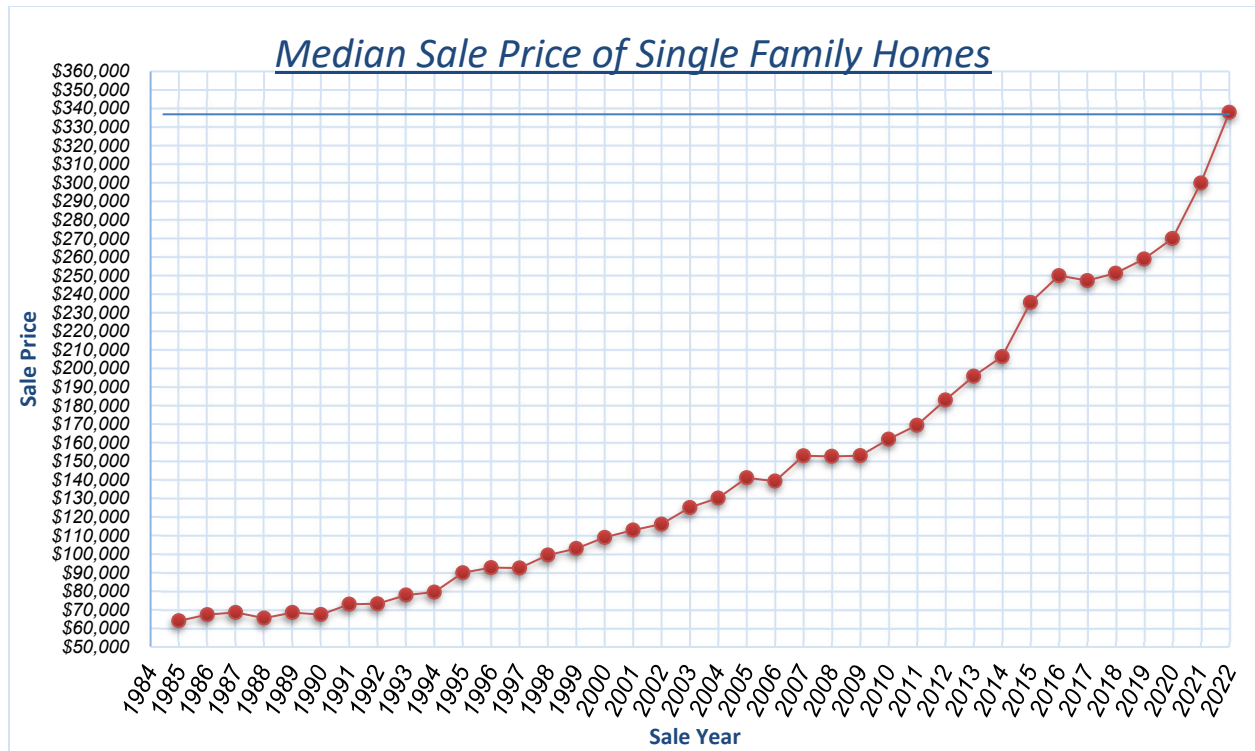
177 Commercial Sales



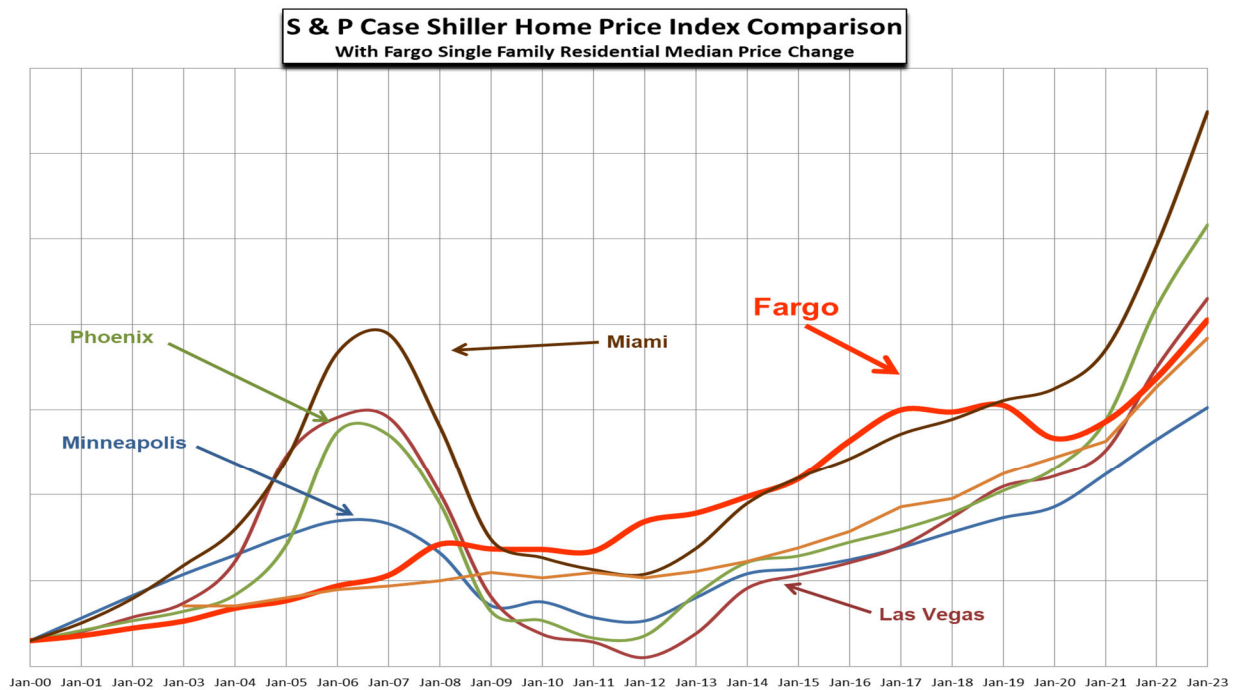
2,237 Residential Sales – 19.6% less than 2021



Residential Value Trends



Median Sale Price of \$338,000 for 2022 – 12.6% increase over 2021.



This is a representation of Fargo's stable market growth when compared with other cities. This is not meant to be a side-by-side comparison of Fargo's median home price to other cities.

Appraisal Efforts & The Sales Ratio Study

The statutory requirement for jurisdictions to appraise each property, based on market value as the standard, requires periodic updates to property values as market conditions and properties change. The frequency of the value updates depends mainly on the market.

To comply with that requirement, this department continually analyzes sale prices and how our appraised values relate to sales. Values are updated by either complete reappraisal of properties, market trending by property breakdowns, or recalibration and application of appraisal models.

Appraisal activities this past year included:

- 2,427 Building Permit Appraisals
- 288 Residential & Commercial Appraisals For Review Or Appeal
- 3,957 Property Transfers Processed
- 736 Parcels Affected by Property Splits, Consolidations, or Plats
- 2,339 Property Inspections
- 6,670 Properties Newly Appraised (Reappraisal, Permits)
- 24,173 Properties Values adjusted via Market Trending

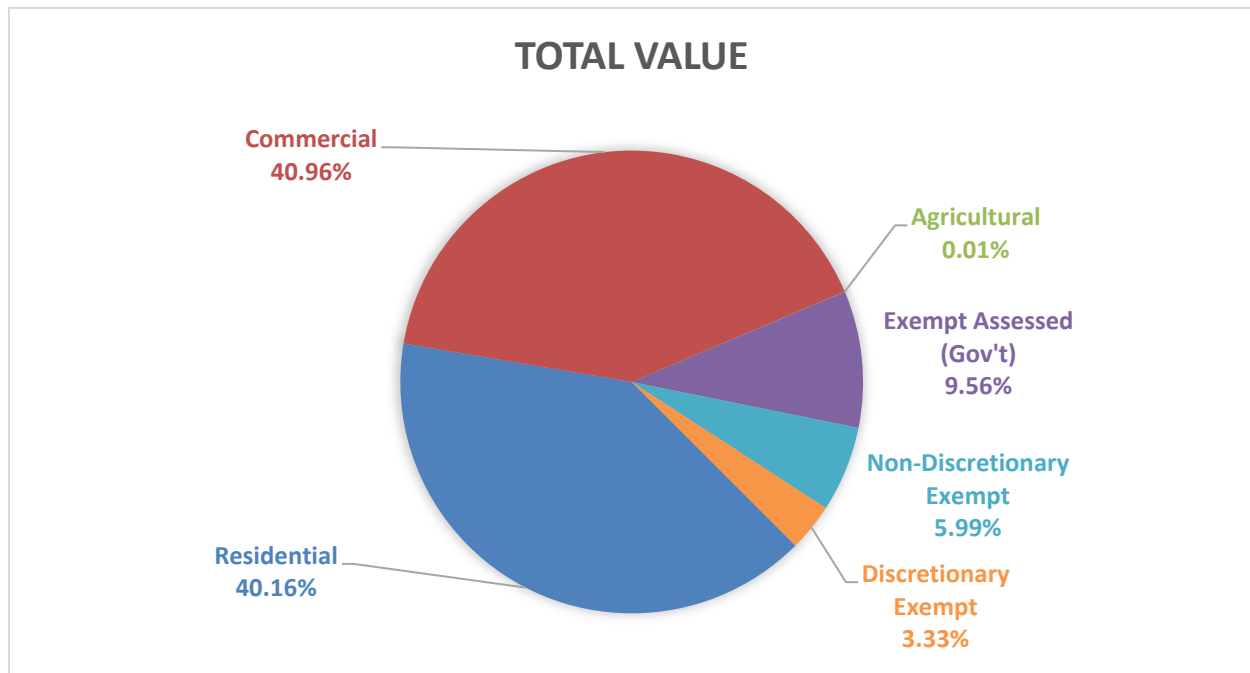
Reappraisal of the city is conducted in a rotation, where an effort is made to review each property every 5 years for information accuracy, and the area is reappraised using the latest data. State law requires that we set the values citywide yearly, so any market changes that occur between reviews are handled with market indexing. The accuracy of reappraisal activities is limited to the response rate of property owners and the amount of appraisers available. This year's response rate was around 30.5%.

2023 Total Appraised Value

ESTIMATED TOTAL MARKET VALUE BREAKDOWN

Class	Total Value	% of Total Value	Value Diff from Prior Yr
Residential	8,366,382,410	40.16%	11.73%
Commercial	8,534,407,300	40.96%	13.39%
Agricultural	2,359,200	0.01%	-19.53%
Exempt Assessed (Gov't)	1,991,845,600	9.56%	2.53%
Non-Discretionary Exmt	1,247,040,400	5.99%	4.72%
Discretionary Exempt	692,947,600	3.33%	17.08%
TOTAL	20,834,982,510	100.00%	11.16%

Increase of 11% over 2022 value.



It should be noted that the figures represented here reflect merely a snapshot of the status of property in the City of Fargo. Property ownership and valuation is always in a state of change. The Assessment Department responds to these changes on a daily basis. The numbers in this report reflect the way things are as of the date of the report. Next month, next week, or tomorrow, the figures will be different. Several figures here also represent estimates of value changes between now and October when mill levies are established. Agencies using the numbers in this report for budget purposes should consult additional sources for verification.

2023 Fargo Taxable Valuation

The **taxable valuation** is the amount that is considered the *tax base* of the City of Fargo. This accounts for the removal of exempt amounts and represents the net assessed value of all property in the city subject to property taxation.

Taxable valuation is determined by applying an *assessment ratio* of 50% to the net appraised value of all taxable property, and applying a factor based on property class.

$$\text{Assessor's Net Value (less exemptions)} \times 50\% \times \text{Assessment Factor} = \text{Taxable Value}$$

The Assessment Factor is 9% for residential and 10% for all other classes of property.

The following projections of the 2023 taxable valuation of Fargo will vary somewhat from the final amount. Changes will occur between now and when the mill levy is determined in October. An amount, *Adjustments*, has been estimated to allow for those changes. Also, the figure used for *State Assessed Corporations* is an estimate based upon last year's figures. Corporations are utilities such as railroads and pipelines, which are assessed by the State Tax Department.

TOTAL EXPECTED 2023 TAXABLE VALUATION

<u>CLASS</u>	<u>TAXABLE VALUE</u>	<u>% OF TOTAL</u>
Agricultural	\$ 117,960	.01%
Commercial	\$426,720,365	53.1%
Residential	\$376,487,208	46.9%
Sub Total	\$803,325,533	

(Less)

Traditional Tax Increment	\$ 8,269,273	
Credits/Adjustments Estimate	<u>\$ 2,000,000</u>	
Sub Total		(\$ 10,269,273)

(Add)

State Assessed Corporations Estimate	<u>\$ 10,237,593</u>
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2023 PROJECTED NET TAXABLE VALUE - \$803,293,853

2022 Net Taxable Valuation \$715,390,200

Difference \$87,903,653

New Growth – 3.5%

Market Increase – 8.8%

Projected Increase in Taxable Value - 12.3%

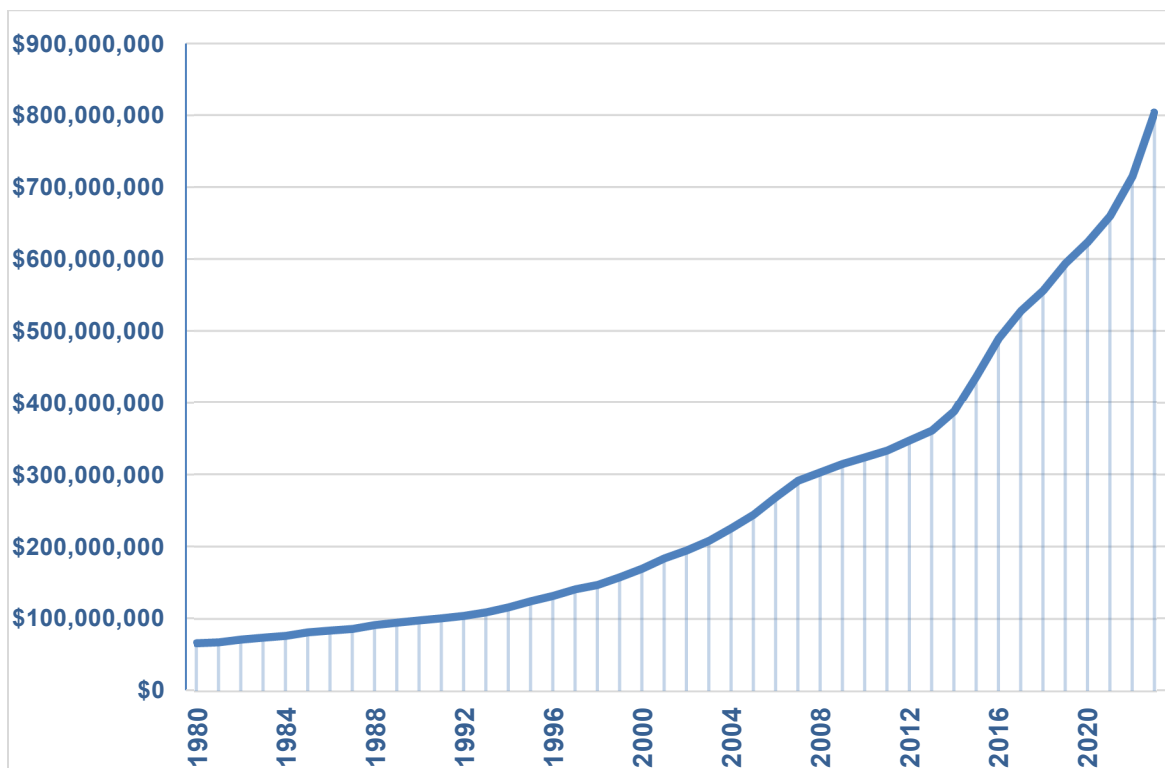
2023 Fargo Taxable Valuation

Following is the recent history of the change in taxable valuation, or tax base, of the City of Fargo along with the current projected amount for 2023.

10 Year Fargo Taxable Value History

Year	Taxable Valuation	% Change
2013	\$360,271,576	3.90%
2014	\$387,008,093	7.40%
2015	\$436,837,979	12.90%
2016	\$489,481,255	12.10%
2017	\$527,912,051	7.90%
2018	\$556,125,077	5.30%
2019	\$592,621,464	6.60%
2020	\$623,487,845	5.00%
2021	\$659,882,775	5.80%
2022	\$715,390,200	8.50%
2023 Est.	\$803,293,853	12.30%

43 Year Fargo Taxable Value History



2023 Fargo Taxable Valuation by School

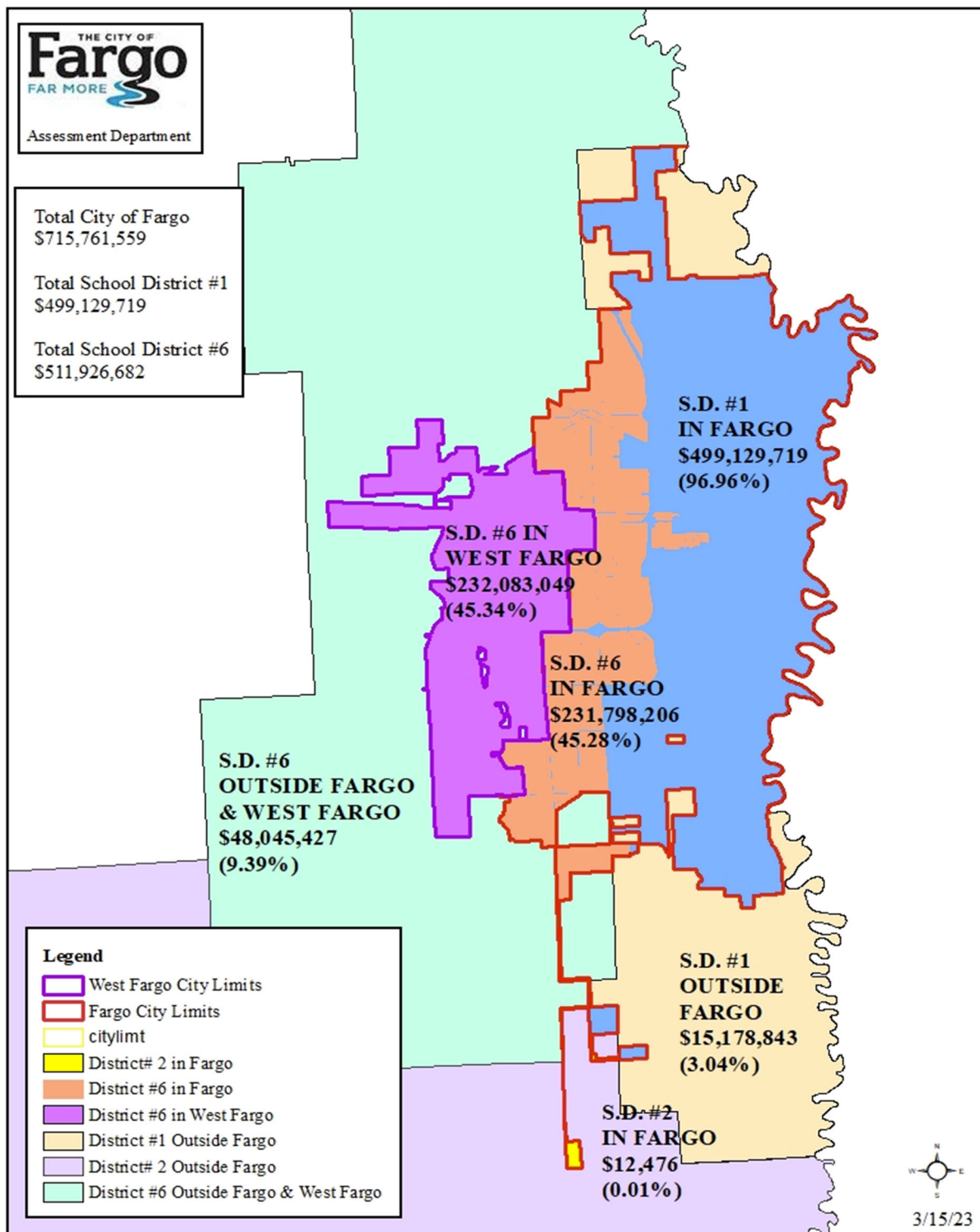
These figures are presented only to give an approximation of the anticipated percentage changes in value within tax districts in the City of Fargo. It is difficult to project how adjustments from now and when the mill levies are determined will be distributed among districts. Those adjustments are not included here.

The estimate of total taxable value and overall amount of change from 2022 on page 8 is a more accurate projection.

2023 Projected Fargo Taxable Value By School District Locally Assessed Property

Class	2023 Taxable	2022 Taxable	% Chg
Agriculture			
School Dist #1	61,635	86,900	-29.1%
School Dist #2	1,630	1,745	-6.6%
School Dist #6	54,695	57,950	-5.6%
	117,960	146,595	-19.5%
Commercial			
School Dist #1	229,045,975	202,270,765	13.2%
School Dist #2		-	
School Dist #6	197,673,840	174,765,935	13.1%
	426,719,815	377,036,700	13.2%
Residential			
School Dist #1	310,954,811	280,129,009	11.0%
School Dist #2	12,033	10,841	11.0%
School Dist #6	65,520,365	56,806,794	15.3%
	376,487,208	336,946,644	11.7%
Total ISD #1	540,062,421	482,486,674	11.9%
67%	540,062,421		
Total ISD #6	263,248,900	231,630,679	13.7%
33%	263,248,900		
Total ISD #2	13,663	12,586	8.6%
0%			
TOTAL	803,324,983	714,129,939	12.5%

2022 Taxable Valuation by School

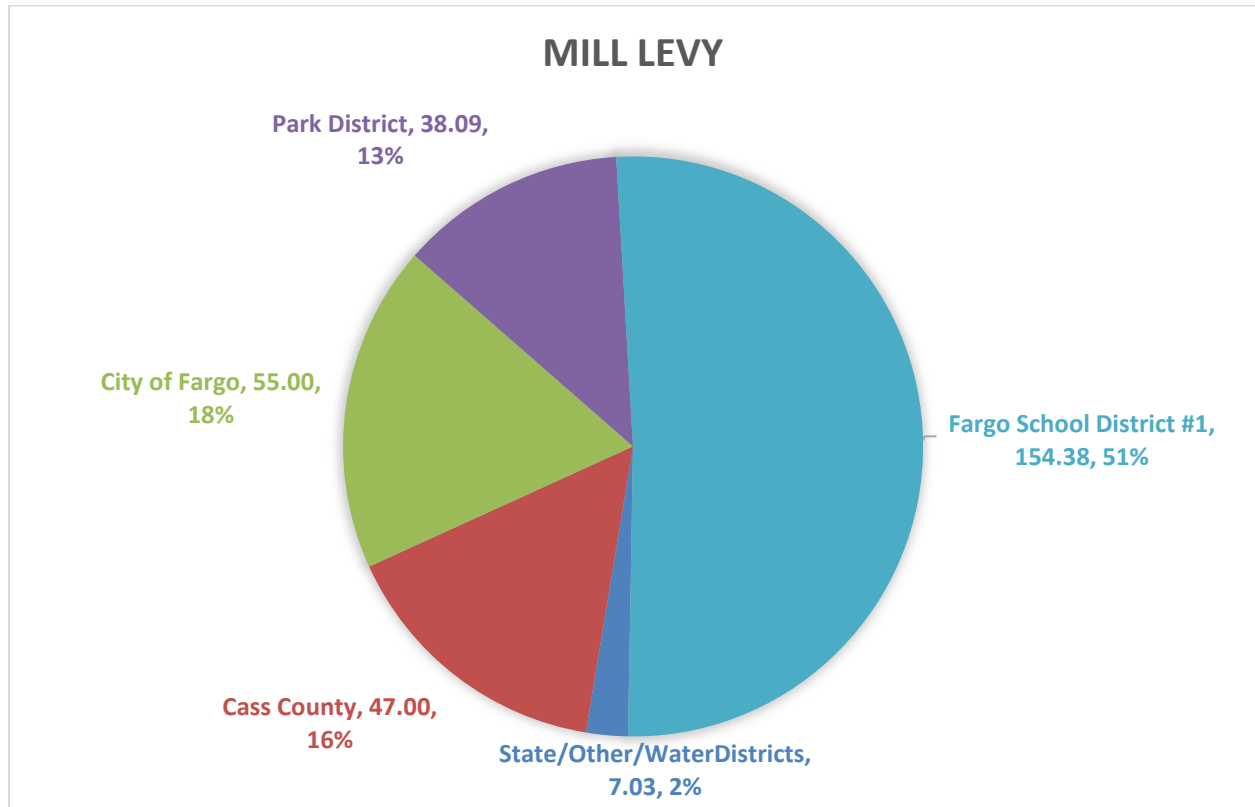


2022 Mill Levy

The current mill levy was set in the fall of last year:

Fargo ISD #1 (Fargo Schools) - 301.50
Fargo ISD #2 (Kindred Schools) - 299.54
Fargo ISD #6 (WF Schools) - 283.22

Below is a breakdown of the mill levy by taxing district.



2023 Exempt Property

Exempt property falls into two classes in the property tax assessment roll for Fargo; *non-discretionary* and *discretionary*. Discretionary exemptions are granted for reasons such as daycares, economic expansion, or renovation of properties, and are granted at the discretion of the city officials. Non-discretionary exemptions include those for churches, schools, hospitals, government owned property, homestead or veteran's credits, and are granted under state law.

Following is a breakdown of exemptions for the 2023 assessment:

2023 Change In Amount of Discretionary Exemptions

TYPE	2022 Exmt Value	2023 Exmt Value	% Chg	T&F Value
Res New Const.	\$97,712,900	\$95,866,600	-1.89%	\$300,890,000
Remodeling	\$28,324,200	\$27,320,000	-3.55%	\$196,844,800
New Ind./PILOT	\$232,386,200	326,557,500	40.52%	\$387,813,500
Ren. Zone	\$200,399,000	213,061,700	6.32%	\$218,927,500
Day Care	\$26,036,800	\$30,141,800	15.77%	\$52,724,100
TOTALS	\$584,859,100	692,947,600	18.48%	

2023 Change in Amount of Non-Discretionary Exemptions

TYPE	2022	2023	% Chg
Wheelchair/Blind	\$7,388,600	6,812,300	-7.80%
Fire Protection	\$37,235,500	35,506,300	-4.64%
Parking Structures	\$6,655,900	5,828,200	-12.44%
Group Homes	\$3,685,200	3,903,800	5.93%
Charitable	\$846,835,300	883,734,400	4.36%
Religious	\$218,999,000	224,809,500	2.65%
Athletic/Educational	\$51,399,500	51,843,100	0.86%
Religious Schools/Colleges	\$2,107,400	2,107,400	0.00%
Affordable Housing (PILOT)	\$23,260,200	32,495,400	39.70%
TOTALS	\$1,197,664,200	1,247,040,400	4.13%

2023 Exempt Assessed (Gov't Owned) Properties

TYPE	2022	2023	% Change
Exempt Assessed	\$1,932,187,200	1,981,854,500	2.57%

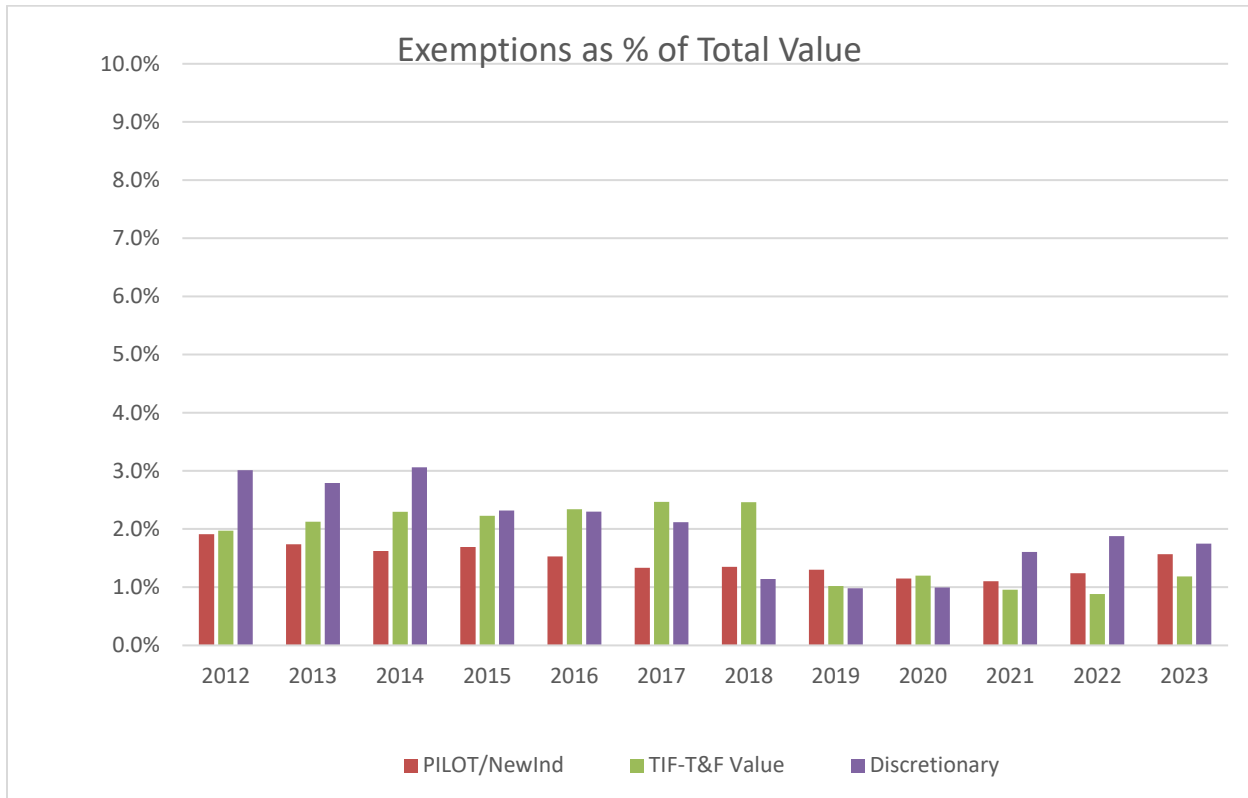
2023 Change in Amount Homestead/Vets Credit

TYPE	2022	2023	% Change
Homestead/Veterans Credit	\$130,708,209	\$136,373,228	4.33%

Exemption History

Year	PILOT /NewInd	% of Total	TIF-T&F Value	% of Total	Discr Exmt	% of Total	Full Exempt	% of Total	Total Value
2012	\$168 M	1.91%	\$173 M	1.97%	\$265 M	3.01%	\$1.3 B	14.73%	\$8.8 B
2013	\$171 M	1.74%	\$209 M	2.13%	\$275 M	2.79%	\$1.9 B	19.00%	\$9.8 B
2014	\$171 M	1.62%	\$242 M	2.30%	\$323 M	3.06%	\$2. B	18.75%	\$10.6 B
2015	\$198 M	1.69%	\$260 M	2.23%	\$271 M	2.32%	\$2.1 B	18.05%	\$11.7 B
2016	\$199 M	1.53%	\$304 M	2.34%	\$299 M	2.30%	\$2.3 B	17.44%	\$13. B
2017	\$189 M	1.33%	\$349 M	2.47%	\$300 M	2.12%	\$2.4 B	17.04%	\$14.2 B
2018	\$204 M	1.35%	\$372 M	2.46%	\$172 M	1.14%	\$2.8 B	18.46%	\$15.1 B
2019	\$205 M	1.30%	\$161 M	1.02%	\$154 M	0.98%	\$2.9 B	18.56%	\$15.7 B
2020	\$188 M	1.15%	\$196 M	1.20%	\$163 M	0.99%	\$2.9 B	17.96%	\$16.4 B
2021	\$191 M	1.10%	\$166 M	0.95%	\$279 M	1.61%	\$3. B	17.42%	\$17.4 B
2022	\$232 M	1.24%	\$165 M	0.88%	\$352 M	1.88%	\$3.1 B	16.68%	\$18.8 B
2023	\$327 M	1.57%	\$247 M	1.18%	\$364 M	1.75%	\$3.2 B	15.51%	\$20.8 B

This data is graphed below showing the exempt values as a percent of the total value of the city.



2023 Traditional Tax Increment Financing

Following is the breakdown of the current traditional tax increment financing projects in Fargo. Tax amounts are estimates based on current 2023 valuations and the most recent (2022) mill levy

	Current Value	Base Value	Total Tax	Base Tax	Increment Tax
Horse Park	\$19,117,300	\$86,040	\$258,610	\$1,164	\$257,446
Bdwy St & Bristol	\$8,926,100	\$408,100	\$121,813	\$5,601	\$116,212
FM Development I	\$2,748,000	\$208,080	\$39,355	\$2,980	\$36,375
Feder	\$2,385,600	\$316,980	\$34,165	\$4,540	\$29,625
FM Development II	\$4,254,000	\$334,140	\$60,923	\$4,785	\$56,137
Butler Business Park	\$18,977,900	\$2,117,700	\$256,724	\$28,647	\$228,077
710 Lofts	\$1,861,000	\$163,400	\$26,652	\$2,340	\$24,312
Roberts St. Ramp	\$13,357,600	\$236,000	\$191,298	\$3,380	\$187,918
Block 9	\$16,683,500	\$4,367,089	\$227,240	\$62,442	\$164,797
Junction 9 Apartments	\$3,103,500	\$1,011,000	\$44,446	\$14,479	\$29,967
Mercantile	\$10,653,300	\$1,576,300	\$152,569	\$22,575	\$129,994
Roers/Newman A	\$11,678,800	\$449,000	\$165,899	\$6,351	\$159,548
Roers/Newman B	\$0	\$533,000	\$0	\$7,589	(\$7,589)
RiverFront	\$102,186,100	\$62,848,000	\$1,449,935	\$872,813	\$577,122
Brewhalla	\$11,483,600	\$309,000	\$164,460	\$4,425	\$160,034
Oak Grove Housing	\$10,650,200	\$952,200	\$152,270	\$13,383	\$138,887
J Street Apts	\$2,123,300	\$319,000	\$30,408	\$4,568	\$25,840
Kmart	\$6,616,500	\$4,847,400	\$94,757	\$69,421	\$25,336
GRAND TOTAL	\$246,806,300	\$81,082,429	\$3,471,522	\$1,131,483	\$2,340,039

2023 Traditional Tax Increment Financing

TAX INCREMENT FINANCING (Incremental) VALUES					
	Appraised Value	School	Taxable Value	Commercial	Residential
Horse Park	\$19,031,260	6	\$951,563	\$951,563	
Bdwy St & Bristol	\$8,518,000	1	\$405,733	\$222,462	\$183,271
FM Development I	\$2,539,920	1	\$126,996	\$126,996	
Feder	\$2,068,620	1	\$103,431	\$103,431	
FM Development II	\$3,919,860	1	\$195,993	\$195,993	
Butler Business Park	\$16,860,200	6	\$843,010	\$843,010	
710 Lofts	\$1,697,600	1	\$84,880	\$84,880	
Mercantile	\$9,077,000	1	\$453,850	\$453,850	
Roberts St. Ramp	\$13,121,600	1	\$656,080	\$656,080	
Block 9	\$12,316,411	1	\$575,360	\$211,205	\$364,155
Barrett St. Apartments	\$2,092,500	1	\$104,625	\$104,625	
Roers/Newman A	\$11,229,800	1	\$557,031	\$516,900	\$40,131
Roers/Newman B	(\$533,000)	1	(\$26,495)	(\$25,100)	(\$1,395)
Riverfront	\$39,338,100	1	\$2,014,916	\$2,446,890	(\$431,974)
BrewHalla	\$11,174,600	1	\$558,730	\$558,730	
Oak Grove Housing	\$9,698,000	1	\$484,900	\$484,900	
J Street Apts	\$1,804,300	1	\$90,215	\$90,215	
Kmart	\$1,769,100	1	\$88,455	\$88,455	
GRAND TOTAL	\$165,723,871		\$8,269,273	\$8,115,085	\$154,188

TIF INCREMENTAL TAXABLE VALUE (1.03% of projected tax base)

2022 Large Value Holders

Following is a list of largest value holders in Fargo as of the most recent levied tax. They are ranked in order of the appraised value of the respective properties:

#	Owner 2022	Type	2022 Value
1	Sterling Properties (Previously INREIT)	Comm,Apts	\$251,149,200
2	Sanford/Meritcare	Medical	\$176,347,600
3	Dakota UPREIT	Apartment	\$130,827,100
4	West Acres Development Co.	Retail	\$124,053,900
5	PREYLOCK FARGO (Amazon)	Warehouse / Office	\$119,401,800
6	Comstock Land, Holdings, & Services	Real Estate	\$81,468,800
7	Adams Investment Limited Partnership (50%) ETAL	Apartment	\$81,087,700
8	Enclave/Retreat @ Urban Plains/Encore @ Urban Plains	Real Estate	\$70,109,900
9	Great Plains Software	Commercial	\$62,394,500
10	Innovis Health	Medical	\$56,003,600

For comparison, below is the list from 2012.

#	Owner 2012	Types	2012 Value
1	INREIT Properties	Comm,Apts	\$116,857,700
2	West Acres Development Co.	Retail	\$86,521,100
3	Sanford (Name Change in 2011 From Meritcare)	Medical	\$58,007,000
4	Matrix Properties	Comm, Apts, Res, Ag	\$50,921,600
5	Osgood	Comm/Res/Apart	\$41,994,900
6	R & B Development LLP	Apartment	\$39,765,300
7	Wal-Mart Real Estate Business Trust	Retail	\$37,126,900
8	Innovis Health	Medical	\$32,464,700
9	Van Raden Properties / RCV Ltd Ptshp	Comm, Apts, Res	\$31,345,400
10	IRET Properties	Apartment	\$31,117,700

Major North Dakota City Comparison

Population / Taxable Value Comparison

City	Population	2022 Taxable Value
Fargo (School District #1)	126,748	\$714,900,052
Bismarck	73,622	\$454,803,538
Grand Forks	59,166	\$255,103,295
Minot	48,377	\$226,405,770
West Fargo	40,009	\$232,083,049
Williston	29,749	\$129,713,363
Dickinson	25,679	\$127,010,209
Mandan	24,447	\$113,129,093
Jamestown	15,620	\$52,294,775
Wahpeton	8,007	\$23,679,118
Devils Lake	7,192	\$20,254,508
Valley City	6,585	\$21,361,592

Mill Levy / Property Tax Comparison

	2022 Total	2022 City	Est. Tax \$125,000	Effective Tax Rate Residential	Est. Tax \$125,000 Commercial	Effective Tax Rate Commercial
CITY	Mill Levy	Mill Levy	Residential			
Williston	198.99	42.91	\$1,119	0.90%	\$1,244	0.99%
Dickinson	232.71	44.64	\$1,309	1.05%	\$1,454	1.16%
Fargo (School Dist #1)	301.50	55.00	\$1,696	1.36%	\$1,884	1.51%
Mandan	287.83	63.98	\$1,619	1.30%	\$1,799	1.44%
Valley City	340.57	76.74	\$1,916	1.53%	\$2,129	1.70%
Bismarck	254.15	77.88	\$1,430	1.14%	\$1,588	1.27%
West Fargo	299.91	79.99	\$1,687	1.35%	\$1,874	1.50%
Wahpeton	350.43	84.82	\$1,971	1.58%	\$2,190	1.75%
Devils Lake	331.27	93.11	\$1,863	1.49%	\$2,070	1.66%
Grand Forks	328.06	96.84	\$1,845	1.48%	\$2,050	1.64%
Jamestown	332.1	117.92	\$1,868	1.49%	\$2,076	1.66%
Minot	367.01	120.08	\$2,064	1.65%	\$2,294	1.84%

Legislative Tax Relief

Homestead Program

Provides a reduction in taxable value for qualifying homeowners.

- One homeowner must be 65 years of age or older
- Income must not exceed \$42,000 after deducting eligible medical expenses.
- Total assets under \$500,000, including the homestead
- Maximum homestead reduction on \$125,000 of value, or \$5,625 in taxable value.

Computing the Credit for Homeowners

28. The property tax credit is given in the form of reduced property tax assessment.

29. The credit applies directly to the taxable value of the homestead. The maximum credit allowed beginning with the 2016 assessment is calculated as follows:

If the applicant's income is		Taxable value is reduced by	Maximum reduction
\$ 0	22,000	100%	\$5,625
22,001	26,000	80%	4,500
26,001	30,000	60%	3,375
30,001	34,000	40%	2,250
34,001	38,000	20%	1,125
38,001	42,000	10%	563

30. The Senior Citizens or Disabled Persons Property Tax Credit is subject to adjustment, equalization, and abatement in the same manner as other real property tax assessments.

Calculations: Various Scenarios (Assume all applicants qualify)

31. Facts: Taxable Value (TV) of homestead for 2016 is greater than \$5,625. Applicant's income provides an 80% homestead credit.

Taxable Value (TV) of homestead		\$ 8,775
Maximum TV credit allowed	\$ 5,625	
x Applicant's interest in property (100%)	x 1.00	
TV of credit allowed for 100% interest	\$ 5,625	
x Homestead credit allowed (80%)	x .80	
TV of credit		- 4,500
TV of homestead after homestead credit		
(\$8,775 - \$4,500)		\$ 4,275

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ND Tax
NORTH DAKOTA

Example					
	True & Full Value	Assessed	Taxable	Mill	Est Taxes
	\$195,000	\$97,500	\$8,775	.29601	\$2,597
Homestead Credit			-\$4,500		\$1,265

Legislative Tax Relief

Disabled Veterans Credit

Provides a reduction in taxable value for qualifying homeowners.

- Applicant must have military service related disability of 50% or more determined by DVA
- Must have honorable discharge
- No income or asset restrictions
- Maximum veterans credit of \$8,100
- Un-remarried surviving spouse of disabled vet can receive the credit.
- Can be coupled with homestead credit with income and asset eligibility
- Calculated similar to the homestead credit, with the level of disability being a factor of the credit.

Example					
	True & Full Value	Assessed	Taxable	Mill	Est Taxes
	\$195,000	\$97,500	\$8,775	.29601	\$2,597
Veterans Credit			-\$8,100		\$200

Homestead Credit for Special Assessments

Provides a reduction to the special assessments paid for homeowners who qualify for homestead.

- Must qualify for homestead credit (income and assets)
- Annual application to the county
- Maximum credit of \$6,000
- Creates a lien on the property payable to the state

Appeals

- Property owners who wish to appeal their value may do so by contacting our office.
- An appraiser will look at the property information and verify the accuracy of the data. In some cases, a physical review may be necessary.
- A market analysis of the property is performed for value. We may ask for the basis of the appeal, whether it is an appraisal or other market evidence. An analysis of comparability with other similar properties is performed for uniformity.
- A determination is made based on the findings.
- A formal abatement may be filed with Cass County for certified values up to two years prior, until Nov 1.