

North Dakota Property Taxes

BALLOT MEASURE 4

End Unfair Property Tax is the campaign behind the initiated ballot measure.

In summary, Measure 4 states:

- Political subdivisions may not raise revenue through levying any tax on assessed value of real or personal property.
- Political subdivisions may continue to levy tax if the tax was dedicated for the payment of bonded indebtedness.
- The State shall provide annual property tax revenue replacement payments to political subdivisions in an amount equal to what was levied in 2024.

SUMMARY OF CONCERNS with the measure:

- 1) Measure 4 does not contain a plan for how the state would cover the estimated \$1.575 billion per year for property taxes to fund essential services.
- 2) It would take away local control of the local budget. Voters in your township know more about your township's needs than people at the state level.
- 3) The revenue replacement funding levels will likely be frozen at 2024 levy levels with no authority for political subdivisions to raise the needed additional revenue to keep pace with growth and/or inflation or to deal with emergencies.
- 4) Rural areas, such as townships and small cities, do not have the option to replace funds with sales tax. Rural residents will contribute more to larger cities through sales tax.
- 5) Out of state landowners will not contribute for roads and other services for their properties. Citizens that live and work in North Dakota will make up the lost revenue
- 6) Funds townships have been receiving from the state such as the Prairie Dog Fund will likely be repealed so the state can replace the levy fund.
- 7) Many townships have chosen to keep their levies low and have depended on state funding to fill in funds for road maintenance and other needs. If those other state funds are eliminated to fund the levy replacement, will those townships be limited to their insufficient levies? How will those townships make up the shortfall?

Over half of the townships levy less than half of what they can under law.

8) What if the petroleum industry wins a court challenge to block the state from collecting the Gross Production Tax, which is a tax on oil and gas production in lieu of property tax on oil? This \$1.5 billion dollar tax supports the counties, cities, townships, and schools in the oil producing counties. How will they make that up?

PROPERTY TAXES FUND ESSENTIAL SERVICES

The property taxes you pay directly benefits the development of your community and funds the services available to you as a resident.

Property taxes are collected by local government (city, county, township, school, and park district) to fund essential local public services. The local public services whose funding relies on property tax include, but are not limited to:

SCHOOLS: schools receive approximately 50% of property tax funds collected

PUBLIC SAFETY: police, sheriff, fire, ambulance, corrections

PUBLIC WORKS: road maintenance, snow removal, street cleaning, water and waste maintenance

COMMUNITY SERVICES: public parks, pools, recreation facilities, libraries