



Property Tax Initiated Measure

What is Known

- Signatures were submitted 6/28
 - SoS will decide by 8/2 if it qualifies for the general election ballot
- Constitutional Measure
- Majority Approval to Pass
- Effective January 1, 2025
- Estimated cost: \$1.329 **billion per year**

Measure Says...

Political Subdivisions may not raise revenue through levying any tax on assessed value of real or personal property. (Residential, Commercial, Agriculture)

The State shall provide annual property tax revenue replacement payments to political subdivisions in an amount equal to what levied in 2024.

Political Subdivisions may not longer utilize General Obligation Bonds but may continue to levy property tax if the tax was dedicated for the payment of bonded indebtedness.



PROPERTY TAXES

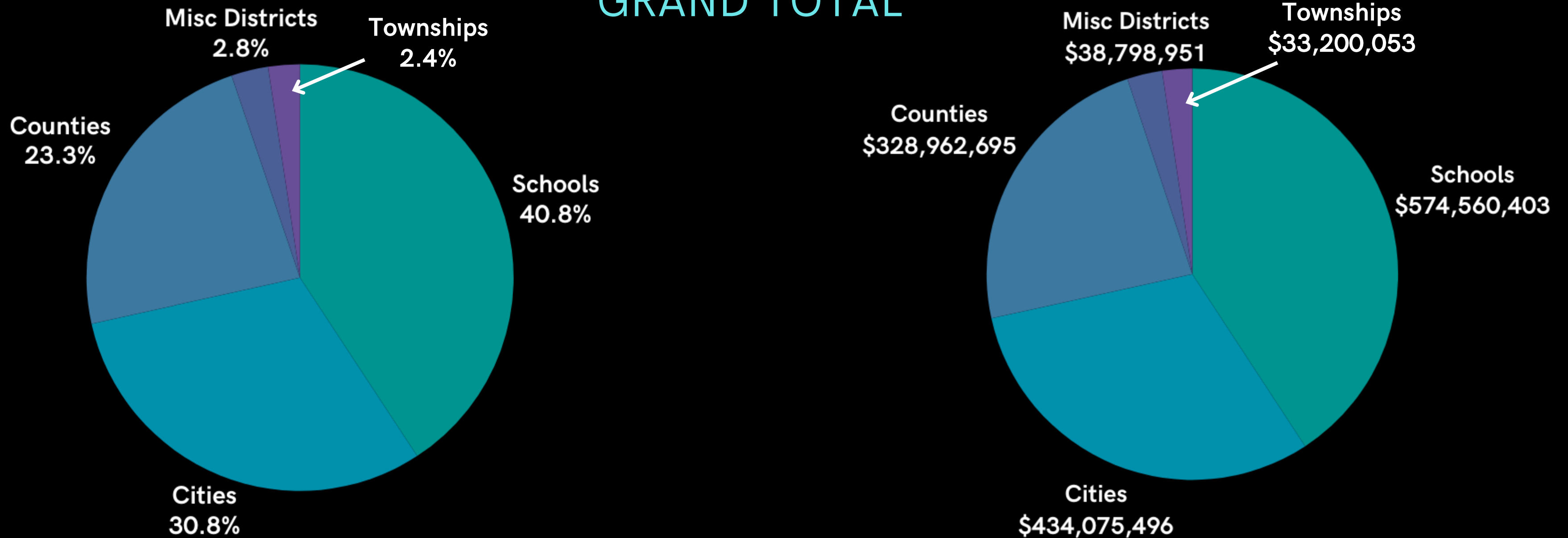
Are collected by local governments to fund essential local public services. They are based on the value of property.

Amount of Property Taxes by Taxing District

Levied in 2021 - Payable in 2022

\$1,409,597,598

GRAND TOTAL



Source: ND Red Book, ND Tax Department

2023 - 2025 State of North Dakota Appropriations

General Fund

\$6.1 Billion

Special Funds

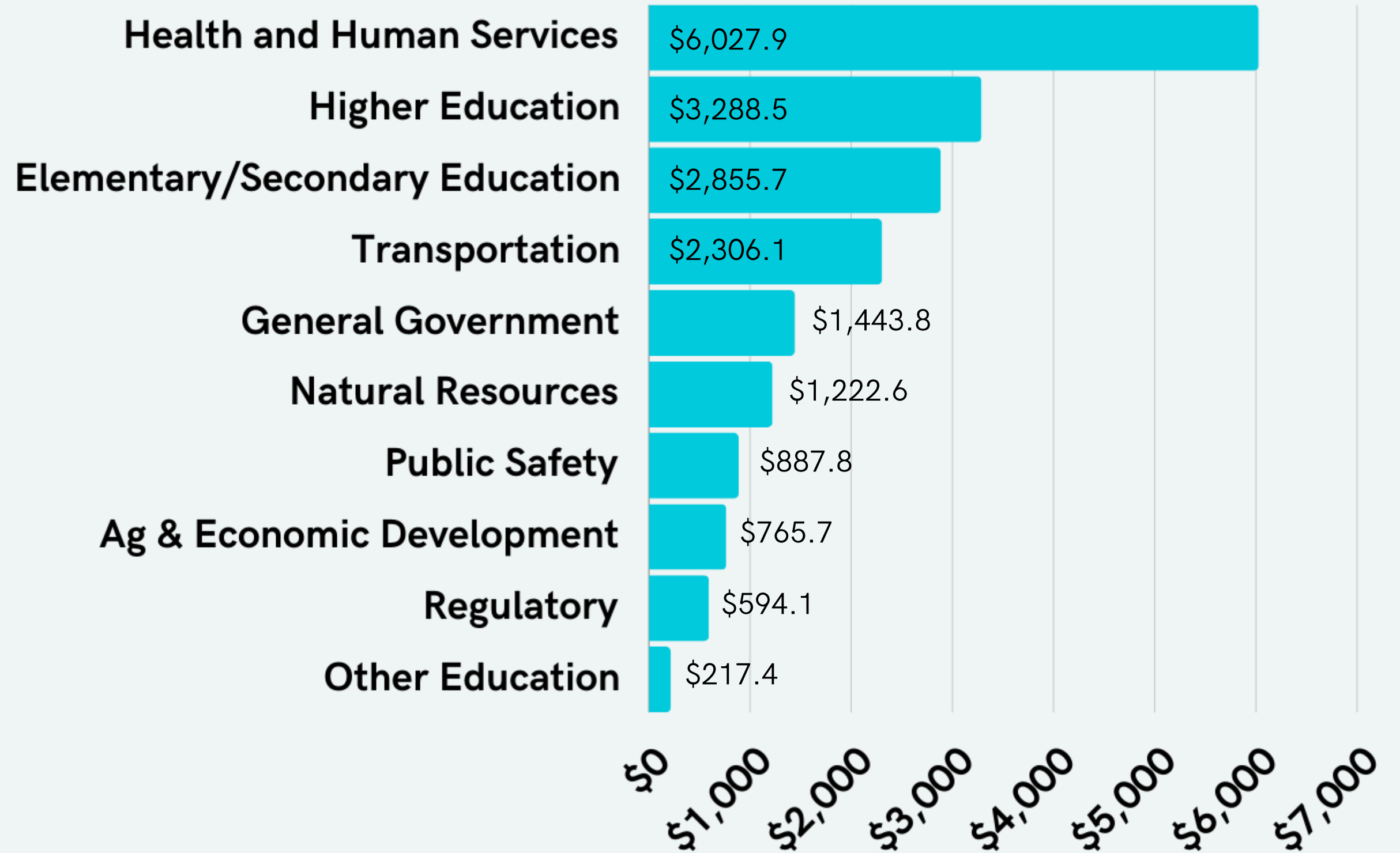
\$7.3 Billion

Federal Funds

\$6.2 Billion

TOTAL Appropriations

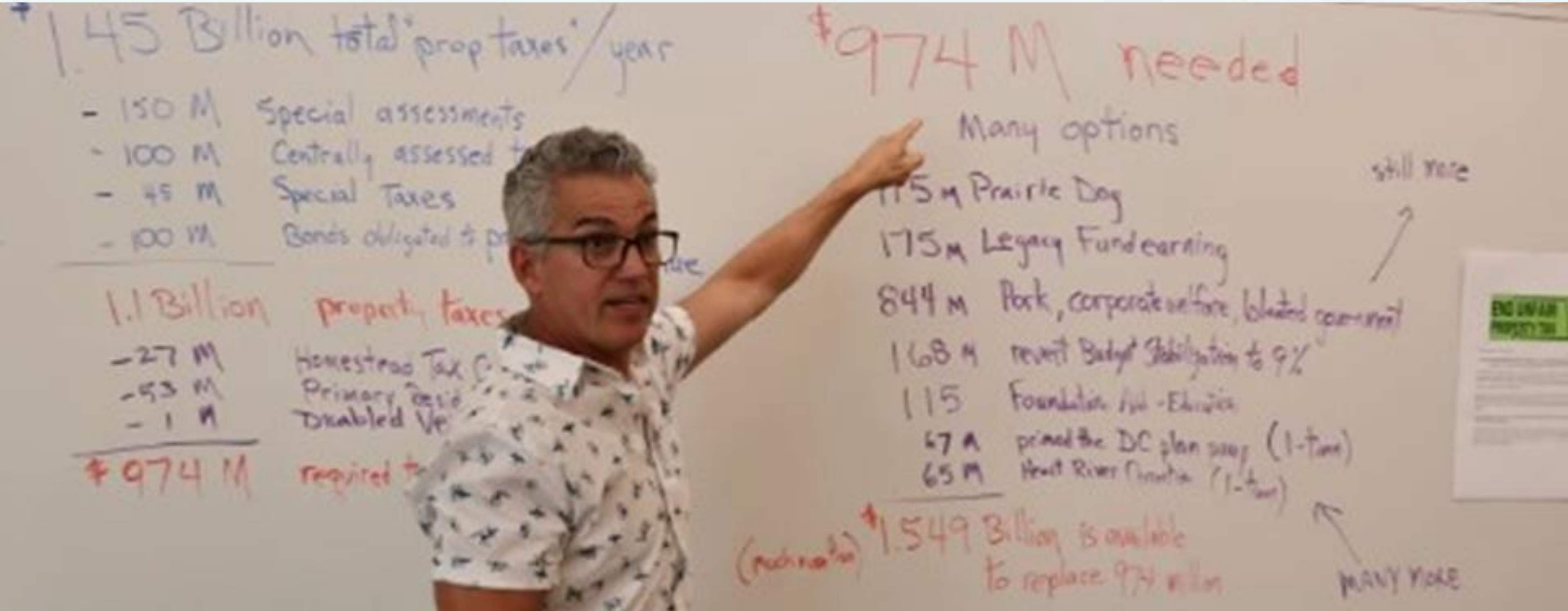
\$19.6 Billion



Amounts Shown in Millions

Proponents Plan


- Prairie Dog
- Legacy Fund Earnings
- Pork & Corporate Welfare
- Budget Stabilization Fund
- Foundation Aid - Education
- D.C. Plan Pump
- Heart River Corrections Center




QUESTION:



SO THE STATE OVERSPENDS BY \$2.5 BILLION PER YEAR, AND WE ONLY NEED \$1 BILLION PER YEAR TO REPLACE THE CURRENT PROPERTY TAX. WHERE DO WE GET THAT \$1 BILLION?

 \$81M UNNEEDED PROPERTY TAX CREDITS

 \$115M OPERATION PRAIRIE DOG

 \$200M LEGACY FUND EARNINGS

 **\$750M PORK & CORPORATE WELFARE** [*\(Click to Learn More\)*](#)




ANSWER:

THE LEGISLATURE WILL HAVE A VARIETY OF OPTIONS TO CHOOSE FROM TO FUND THE REPLACEMENT OF PROPERTY TAX. BELOW ARE \$2B WORTH OF SUGGESTIONS FROM WHICH THEY CAN CHOOSE THE \$1B NEEDED TO REPLACE.

 \$165M CUT NON-FEDERAL BUDGET 2.5%

 \$540M LIMIT ONE-TIME SPENDING PROJECTS

 \$55M LIMIT PAYING FOR OUT-OF-STATE STUDENTS' COLLEGE TUITION

YES! THE STATE CAN AND SHOULD USE ITS EXCESS MONEY TO FINALLY PROVIDE MAJOR TAX RELIEF TO ALL NORTH DAKOTANS BY REPLACING THE PROPERTY TAX.



Measure Concerns

State Contribution Levels

The state contribution is not required to increase from **2024 levels**;

Political subdivisions would have limited abilities to generate additional revenues.

It is unclear what other taxes or fees would be created or raised to meet future needs and subsequent impact that would have on business.

Creates uncertainty about communities' ability to meet citizen needs

Lacks Equality & Stability

Raising revenues may be difficult for rural areas.

Industries that pay in lieu of taxes would not be included in the tax relief resulting in inequities in those industries.

This tax relief only applies to those that own property.

Schools would lose the ability to bond, directly affecting our future workforce.

Does not foster long-term revenue stability.



KEEP IT LOCAL

Coalition Members

These organizations have officially joined the coalition in opposing this ballot measure.

**64 Members
and counting...**

AGRICULTURE/ENERGY/NATURAL RESOURCES

- Lignite Energy Council
- ND Association of Rural Electric Cooperatives
- ND Farmers Union
- ND Corn Growers Association
- ND Grain Growers Association
- ND Petroleum Council
- ND Soybean Growers Association

CHAMBERS

- Bismarck Mandan Chamber EDC
- Devils Lake Chamber of Commerce
- Dickinson Area Chamber
- Fargo/Moorhead/West Fargo Chamber
- Grand Forks/East Grand Forks Chamber
- Greater North Dakota Chamber
- Jamestown Area Chamber
- Minot Area Chamber EDC
- Williston Area Chamber

ASSOCIATIONS/NONPROFIT ORGANIZATIONS

- AARP ND
- American Council of Engineering Companies North Dakota
- The Associated General Contractors of ND
- Broadband Association of ND
- Economic Development Association of ND
- Health Policy Consortium
- Minnesota Nurses Association
- ND AFL-CIO
- ND Association of Counties
- ND League of Cities
- ND Recreation and Park Association
- ND Township Officer Association
- ND Senior Service Providers
- ND State Association of City & County Health Officials
- Vision West
- Western Dakota Energy Association

REAL ESTATE

- Bismarck/Mandan Board of Realtors
- Building Industry Association of the Red River Valley
- Fargo Moorhead Association of Realtors
- Grand Forks Area Association of Realtors
- High Plains Association of REALTORS
- Minot Association of Builders
- Minot Board of Realtors
- ND Association of Builders
- ND Association of Realtors
- Williston Board of Realtors

PUBLIC SAFETY

- Chiefs of Police Association of ND
- ND EMS Association
- ND Fire Chief's Association
- ND Sheriffs and Deputies Association
- Professional Firefighters of ND

EDUCATION

- ND Association of Secondary School Principals
- ND Association of County Superintendents
- ND Association of Elementary School Principals
- ND Association of School Administrators
- ND Association of School Business Officials
- ND Association of Technology Leaders
- ND Career and Technology Education Administrators
- ND Council of Educational Leaders
- ND Library Association
- ND of Interscholastic Athletic Administrators Association
- ND Regional Education Association Leaders
- ND School Boards Association
- ND Small Organized Schools
- ND Special Education Study Council
- ND Student Activity AA)
- ND Student Honor Society
- ND United

COALITION GOALS



WIN by a **LARGE** Margin



EDUCATE voters



Place for **DISCUSSION**



THANK YOU

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