

# 2024 Annual Assessment Report

MAY 24, 2024

Cass County Government

Authored by: Paul Fracassi – Director of Equalization



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# 2024 Annual Assessment Roll Index

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2024 Cass County Board of Equalization

May 24, 2024

Honorable Board of County Commissioners  
211 Ninth St South  
Fargo, ND 58103

Honorable Commissioners:

The 2024 annual assessment report of Cass County establishes the final valuations for all classes of property based on an analysis of market activity that occurred between January 1<sup>st</sup>, 2023 & December 31<sup>st</sup>, 2023. The valuations submitted in this report are market driven as evidenced through the analysis.

The current taxable value in Cass County for the taxable year 2024 is \$1,343,888,638 which is up 5.9% from last year. Our office is responsible for maintaining all property record cards in rural Cass County, which excludes the cities of Fargo and West Fargo. The projected taxable valuation in rural Cass County increased 6.8% to \$227,282,727.

The Board of Equalization meets annually within the first ten days of June with the first order of business to equalize all assessments within the cities of Cass County. The second order of business is to equalize the assessments of all townships. Further information regarding the county board of equalization can be found within this assessment report.

Procedures of assessment and appraisal are conducted under guidance from the North Dakota Tax Commissioner's Office, the North Dakota Century Code, and nationally recognized standards of mass appraisal of real property. Our office would like to use today's meeting as a hearing for all appeals. I ask that all appeals presented today be moved to a pending status, allowing our office time to review any new information that was presented. I will submit my final recommendation for each appeal at the follow-up meeting on June 17<sup>th</sup>. After the appeal portion of the meeting is completed today, the Cass County Tax Equalization Office respectfully recommends approving all values without a pending status. At the June 17<sup>th</sup> meeting we will look to approve those with a pending status.

Respectfully Submitted,



Paul Fracassi  
Director of Equalization

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## 2023 ASSESSMENT YEAR SUMMARY

The 2023 FM area housing market closed the year with the average sale price of a Single-Family home at \$328,150. This is up from \$320,057 in 2022. While Single-Family homes saw a modest increase the Twin Home market saw nearly 9% growth as the average sale prices rose from \$242,401 to \$264,174. These trends were accompanied by interest rates averaging 7% for the year, which led to a small cooldown in sales activity and an increase in the average days on the market for listings. There is still a lack of existing inventory as most owners are rate locked from a purchase or refinance prior to March of 2022. Throughout 2023 we saw inflation starting to cool and many experts have predicted that if it can stabilize at 2%, we may begin to see rate cuts which in turn will lead to a rebound in activity in late 2024 and into 2025.

One of the more interesting statistics I came across this year was courtesy of the Goldmark Commercial Connect meeting I attended last October. They discussed a study that was conveyed by Marcus & Millichap Research Services which reports that we are witnessing the greatest affordability gap between monthly home payments and monthly apartment rents in history as the gap nears \$1,300 per month. This gap is a clear indication and driver of the renter demand in the foreseeable future.

Speaking of renting, multi-family housing statistics, gathered from Appraisal Services Inc., show the metro closing the year with a 6.97 percent vacancy rate and a yearly average of 5.5 percent. 924 new units opened throughout the metro in 2023 and nearly 1,400 were under construction. It is expected that half of those 1,400 will become available in 2024.

Agricultural land values fell within tolerance of the \$1,282.45 average value per acre that was certified by the Office of State Tax Commissioner, so no adjustments were needed for 2024.

Our office spent most of the year recalibrating an update to our software cost manual, which is done about every 10 years or so. This process helps alleviate statistical outliers that increase or decrease in cost or market appeal at a rate that is outside the norm. This process leads to individual adjustments to every single parcel which are implemented prior to market adjustments for the year. The result is a more uniform and equitable tax base.

Updated property information can be found on our website at: <https://cass.northdakotaassessors.com/>

The website has seen tremendous growth over the past year as visitors have reached a new high, clearing 140,000. The goal of the website is to maintain transparency so property owners can review the exact property characteristics used to determine their property value. It also provides an avenue to research sales throughout the region.

Our office will continue to track every portion of the market on a yearly basis and apply incremental adjustments as needed.

## BUILDING PERMIT VALUATIONS

2023 saw a decrease in both residential and commercial permits. Residential permits decreased roughly 20 percent, but the average value of each permit remained stable in the 190,000 range. Commercial permits saw a significant decrease to its overall value after the Casselton soybean crushing plant led to a historic high in 2022.

<i>Year</i>	<i>Residential</i>	<i>Permits</i>	<i>Commercial</i>	<i>Permits</i>
<b>2016</b>	\$33,276,948	243	\$4,682,236	24
<b>2017</b>	\$45,760,947	263	\$3,093,625	27
<b>2018</b>	\$51,867,874	300	\$9,235,364	39
<b>2019</b>	\$52,433,253	290	\$41,332,711	26
<b>2020</b>	\$63,581,463	441	\$65,379,314	64
<b>2021</b>	\$113,883,841	634	\$36,162,206	81
<b>2022</b>	\$117,971,046	607	\$311,048,210	193
<b>2023</b>	\$93,204,164	487	\$58,198,382	158



## SALES RATIO ANALYSIS

North Dakota property tax is an ad valorem tax. This means, simply, a tax according to value. The true and full value for tax purposes must reflect the market value of the property. To maintain equitable assessments and achieve an accurate portrayal of the market our office conducts a sales ratio study annually. It is the intent of the ND legislature that local assessors use the results of the sales ratio study as a guide in making and equalizing assessments of property.

The State Board of Equalization adopted a tolerance level of 90 to 100 percent for agricultural, residential, and commercial assessments for the 2023 sales ratio study. This means that our final ratio analysis, after adjustments, must have a median between 90 and 100 percent. Prior to adjustments, the 2023 residential sales resulted in a median of 89.7 percent while commercial sales closed the year at 93 percent. Although commercial fell within the acceptable tolerance range, adjustments were made to both classes of property resulted in the final ratios listed below:

### 2023 Assessment Ratio Before Adjustments

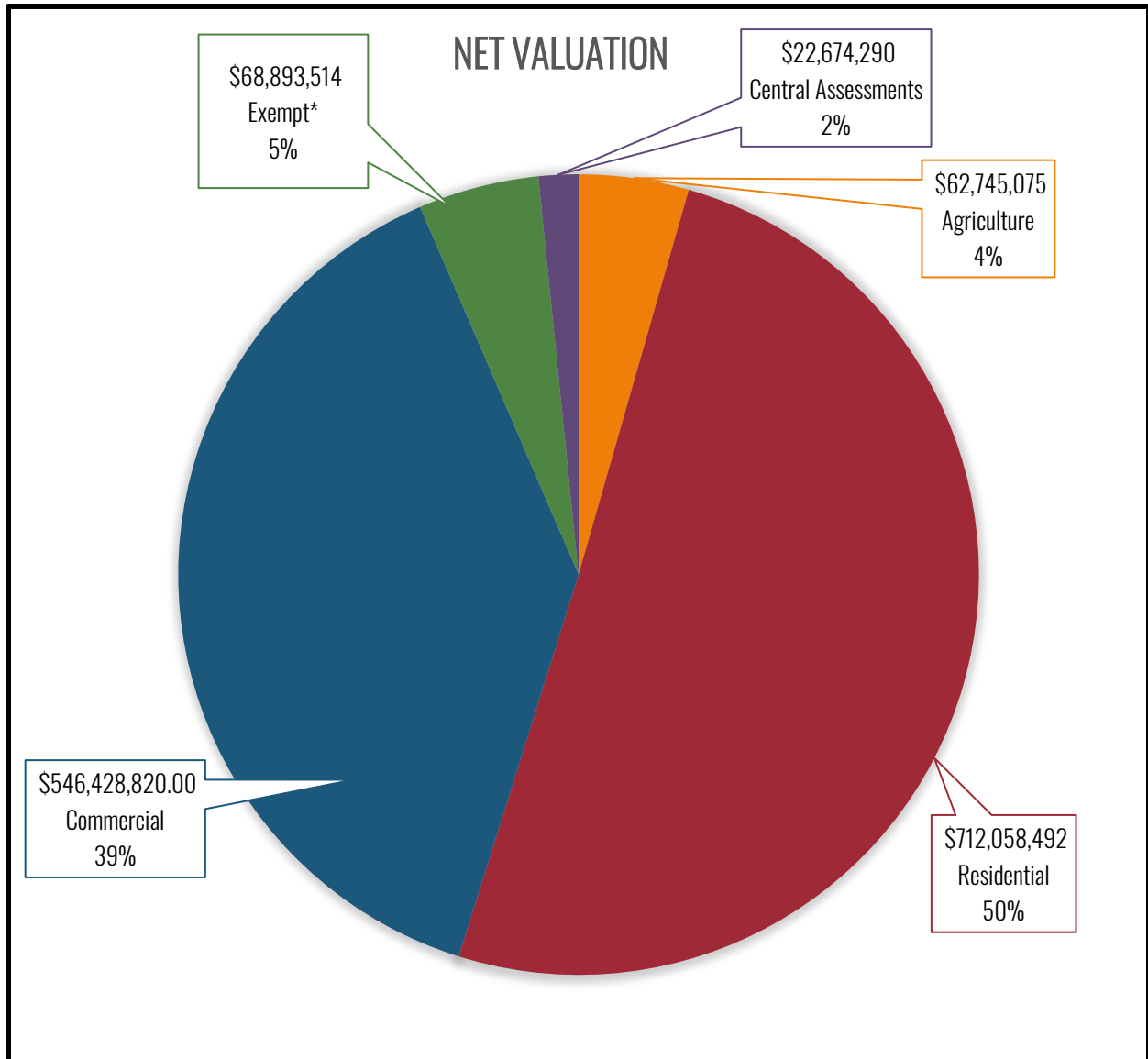
	<i>2023 Measurements</i>		<i>Tolerance</i>
<i>Median Ratio Residential</i>	89.7%	State Mandated	90 - 100%
<i>Median Ratio Commercial</i>	93.0%	State Mandated	90 - 100%
<i>PRD Residential</i>	1.00	IAAO Guidelines	0.98 – 1.03
<i>PRD Commercial</i>	1.02	IAAO Guidelines	0.98 – 1.03
<i>COD Residential</i>	7.92%	IAAO Guidelines	Less Than 15%
<i>COD Commercial</i>	14.30%	IAAO Guidelines	Less Than 20%

### 2023 Assessment Ratio After Adjustments

	<i>2023 Measurements</i>		<i>Tolerance</i>
<i>Median Ratio Residential</i>	93.8%	State Mandated	90 - 100%
<i>Median Ratio Commercial</i>	98.1%	State Mandated	90 - 100%
<i>PRD Residential</i>	1.00	IAAO Guidelines	0.98 – 1.03
<i>PRD Commercial</i>	1.02	IAAO Guidelines	0.98 – 1.03
<i>COD Residential</i>	6.02%	IAAO Guidelines	Less Than 15%
<i>COD Commercial</i>	9.96%	IAAO Guidelines	Less Than 20%

## VALUATION BY CLASS

The following chart demonstrates the differences in taxable value between the four main classes of property (Agricultural, Commercial, Residential, and Central Assessments). Exempt values have been charted to demonstrate the potential value in Cass County.



\*See Page 13 for breakdown of discretionary exemptions

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## 2024 TAXABLE VALUATION

The tax base is a derivative of the taxable valuation throughout Cass County. The value used for the tax base is the true and full value less any exemptions. This is known as the net assessed value as it represents any property subject to taxation in Cass County.

The taxable valuation is determined by applying an assessment ratio of 50% to the appraised value of all taxable property. Then, residential property has a factor of 9% applied and commercial and agriculture use 10%.

The taxable valuation multiplied by the mill levy will determine the total revenue received from property taxes.

The following table provides a projection of the 2024 taxable valuation. The mill levy will not be determined until November and many changes will occur between now and then. Examples of these changes could be from abatements, errors in assessments, or exemptions filed late. I have provided an estimate of these changes as detailed in the “adjustments” portion of the projection below. The table also contains an estimate of value for centrally assessed property. The state calculates centrally assessed property and provides valuations to the county yearly, each fall.

### 2024 Taxable Value Projection (Rural Cass County)

<b>AGRICULTURE</b>	\$	62,578,900
<b>RESIDENTIAL</b>	\$	123,225,183
<b>COMMERCIAL</b>	\$	33,012,994
- <b>Less TIF</b>	\$	(2,760,715)
- <b>Less Adjustments</b>	\$	(200,000)
+ <b>Plus Centrally Assessed*</b>	\$	11,426,365

**PROJECTED TAXABLE VALUE** **\$227,282,727**

\*Centrally assessed values estimated from 2023

## TEN-YEAR VALUATION HISTORY – Excluding Fargo & West Fargo

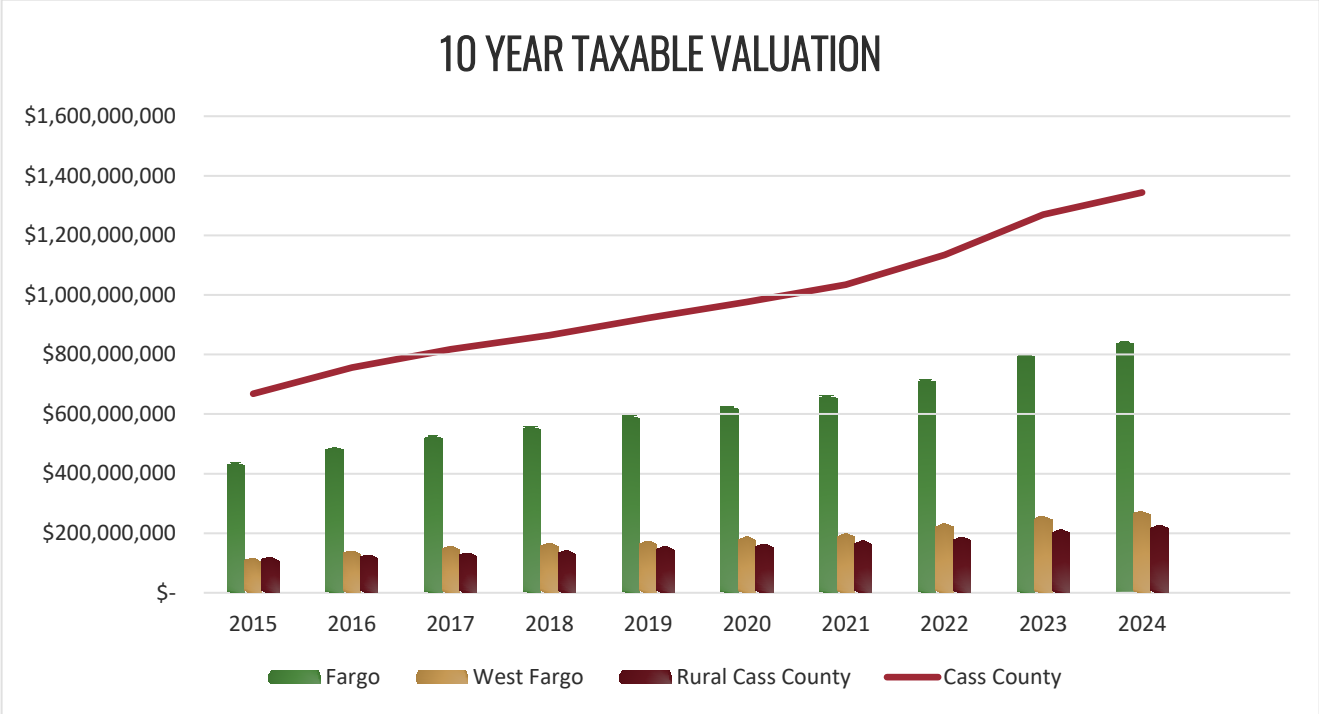
<i>Year</i>	<i>Valuation</i>	<i>Percent Change</i>
<b>2015</b>	\$ 117,639,641	8.8%
<b>2016</b>	\$ 126,128,070	7.2%
<b>2017</b>	\$ 133,043,061	5.8%
<b>2018</b>	\$ 142,584,836	7.2%
<b>2019</b>	\$ 153,652,639	7.8%
<b>2020</b>	\$ 163,004,237	6.1%
<b>2021</b>	\$ 173,705,828	6.6%
<b>2022</b>	\$ 186,921,166	7.6%
<b>2023</b>	\$ 212,859,029	13.9%
<b>2024*</b>	\$ 227,282,727	6.8%

## TEN-YEAR VALUATION HISTORY – Including Fargo & West Fargo

<i>Year</i>	<i>Valuation</i>	<i>Percent Change</i>
<b>2015</b>	\$ 668,216,009	12.5%
<b>2016</b>	\$ 755,904,584	13.1%
<b>2017</b>	\$ 816,943,127	8.1%
<b>2018</b>	\$ 864,329,046	5.8%
<b>2019</b>	\$ 922,483,233	6.7%
<b>2020</b>	\$ 976,813,584	5.9%
<b>2021</b>	\$ 1,034,208,806	5.9%
<b>2022</b>	\$ 1,134,765,773	9.7%
<b>2023</b>	\$ 1,269,019,326	11.8%
<b>2024*</b>	\$ 1,343,888,638	5.9%

\*Projected Taxable Valuation

The chart below demonstrates the Ten-Year Taxable valuation of Cass County along with a breakdown of Fargo, West Fargo, and Rural Cass County.



## TAXABLE VALUATION BY COUNTY

The taxable valuation of a county is made up by the net value of its three classes of property (agricultural, commercial, & residential) as well as the addition of any centrally assessed property. Below is a comparison of the top 10 counties in North Dakota by taxable valuation.

<i>County</i>	<i>Estimated Population*</i>	<i>2023 Taxable Valuation</i>
<i>Cass</i>	196,362	\$ 1,269,019,326
<i>Burleigh</i>	100,012	\$ 667,772,123
<i>Williams</i>	39,113	\$ 418,041,611
<i>Grand Forks</i>	72,708	\$ 373,984,028
<i>Ward</i>	68,332	\$ 371,229,931
<i>Mckenzie</i>	14,252	\$ 350,001,117
<i>Morton</i>	33,895	\$ 226,849,065
<i>Stark</i>	33,001	\$ 219,072,089
<i>Mountrail</i>	9,383	\$ 167,087,545
<i>Stutsman</i>	21,392	\$ 144,760,937

\*Population estimates taken from United States Census Bureau

<https://www.census.gov/quickfacts/fact/table/ND>

The total taxable value of North Dakota in 2023 was \$5,914,534,012. Cass County accounted for 21.5% of the total taxable value and nearly 25% of the overall population.

## GENERAL MILL COMPARISON BY COUNTY

Mill levies are calculated annually by the County Auditor after budget hearings are held and all taxing jurisdictions have finalized their budget. The amount each taxing authority receives by an individual property is reflected on the tax statements mailed in December. The following uses the 2023 Cass County median sale price of \$330,000 to demonstrate what a property owner would pay in taxes based off the average mill rate of the top 10 populated counties in the state.

<i>County</i>	<i>2023 Average Mill by County</i>	<i>Effective Tax Rate</i>	<i>Taxes on Median Value</i>
<i>Grand Forks</i>	321.70	1.44%	\$4,777.25
<i>Ward</i>	316.00	1.42%	\$4,692.60
<i>Cass</i>	283.20	1.27%	\$4,205.52
<i>Stutsman</i>	256.70	1.12%	\$3,812.00
<i>Morton</i>	240.70	1.08%	\$3,574.40
<i>Burleigh</i>	240.60	1.08%	\$3,572.91
<i>Stark</i>	221.70	1.00%	\$3,292.25
<i>Williams**</i>	166.80	0.75%	\$2,476.98
<i>Mckenzie**</i>	114.60	0.52%	\$1,701.81
<i>Mountrail**</i>	108.90	0.49%	\$1,617.17

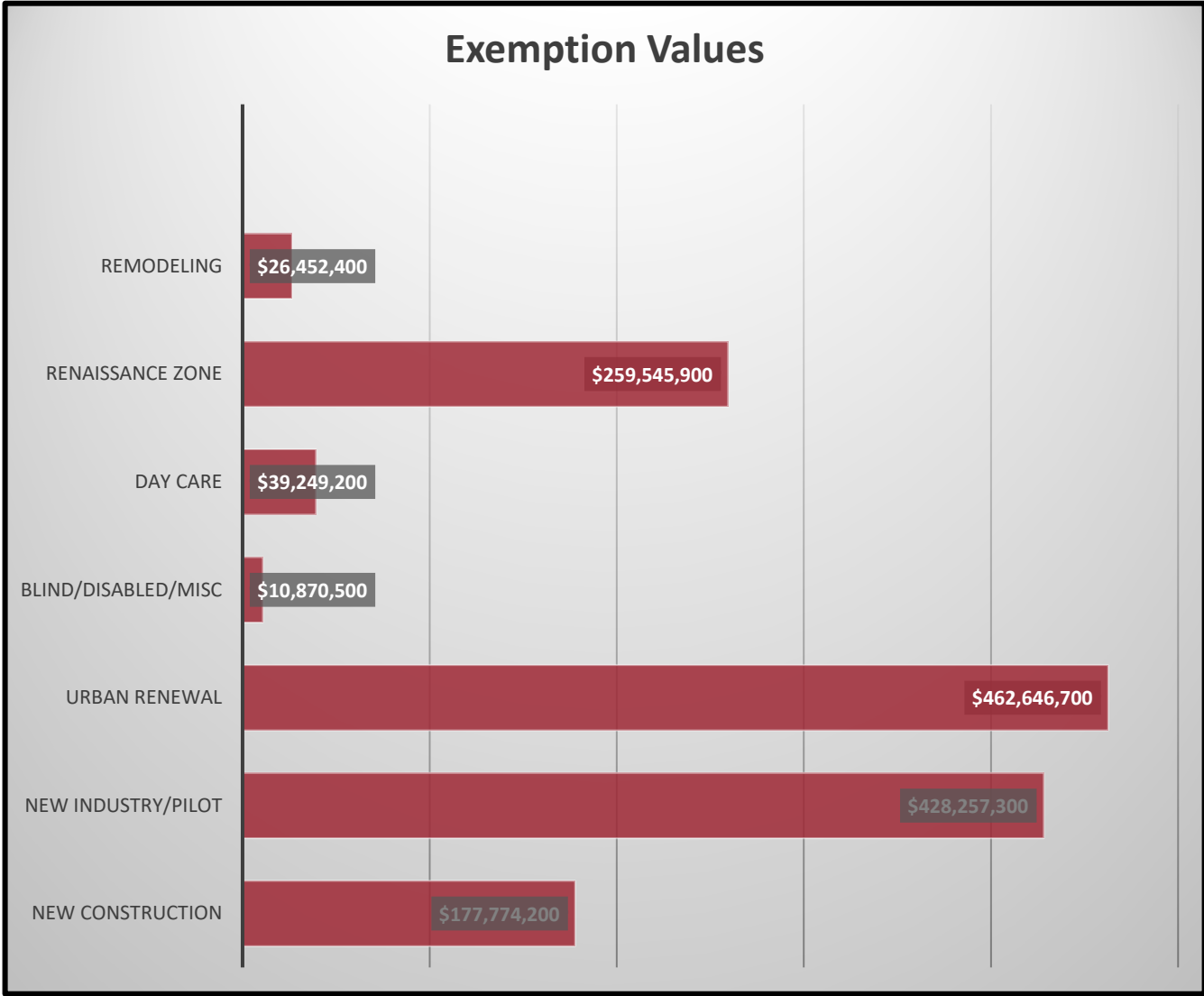
\*Taken from ND.gov/tax/tap (Taxpayer Access Point)

\*\*Uncharacteristic amounts of centrally assessed properties led to a diminished mill levy

# 2024 EXEMPT PROPERTIES

Property tax exemptions are available throughout Cass County and are up to the discretion of each jurisdiction. There are two types of exemptions: discretionary and non-discretionary. Discretionary exemptions include but are not limited to economic expansion, new home construction, or remodeling of a property. Non-discretionary exemptions include but are not limited to: city-owned property, parks and schools.

The chart below illustrates the percentage granted for any discretionary exemption offered throughout Cass County.



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## APPEAL THROUGH THE BOARD OF EQUALIZATION

North Dakota law directs all real property in the state to be assessed as to its value on February 1<sup>st</sup> of each year. Assessment officials around the state spend most of January, February, and March preparing these values by studying costs to build new, the areas marketing of existing property, and how these factors affected the current valuations. The assessor must notify the property owner whenever the true and full valuation increases by more than 10 percent and \$3,000 over the last assessment. The property owner shall receive a mailed written notice at the property owner's last known address at least 15 days prior to the local board of equalization. The notice must provide the true and full values used by the assessor along with the dates, times, and locations of both the Jurisdiction and the County Board of Equalizations.

Cities are required to hold the City Board of Equalization on the 2<sup>nd</sup> Tuesday in April and Townships are required to hold the Township Board of Equalization on the 2<sup>nd</sup> Monday in April. *The County Board of Equalization shall hold its meeting within the first ten days of June.* The State Board of Equalization meets the 2<sup>nd</sup> Tuesday in August.

A property owner who has questions about their valuation should contact the Assessment Department. They may appear before the Local Board of Equalization and the County Board of Equalization. Either of these boards may reduce the assessment of the property. A property owner can only appeal to the State Board of Equalization if they have appealed to both the local and county boards of equalization. The decision of the State Board of Equalization is the final part in this appeal process.

### UNDERSTANDING YOUR ASSESSMENT

Most property owners are concerned about the rising property taxes. To express their concern effectively, a property owner must understand the two parts of the property tax system: taxation and valuation.

### WHAT CAUSES PROPERTY VALUES TO CHANGE?

The most obvious reason is that the property itself has changed. An addition to the property, basement finish, or rehabilitation of the property are some of the more common reasons. A less obvious, but more frequent, cause of change is that there was a change in the market itself. If a major employer leaves the area, property values can collapse, or if a once blighted neighborhood with good starter homes sparks interest to young first-time homebuyers, prices can start to rise. Additionally, larger and more expensive homes may take longer to sell, resulting in reduced prices to allow for a quicker sale, while at the same time more affordable housing in high demand creates an increase to value. In a stable neighborhood without any undue influence from the market, inflation alone may increase property values.

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## PROPERTY OWNER MISCONCEPTIONS

The notion that a change to the assessed value of a property changes the property taxes at the same percentage is one of the biggest misconceptions in property taxation. There are many parts that make up the taxation process that can have as much, if not more, bearing on property tax calculations.

Assessors determine the total true and full value of a property using standards and practices set forth by the state. This is the foundation of the property tax system. Assessment officials strive to set fair and equitable values for property owners. If true and full values are fair and equitable, then everyone should be paying their fair and equitable share of the property tax. Taxing entities such as county, city, park, and school boards decide how much money their budgets need to operate for the up-coming year. That is how the actual tax dollar is decided.

For example: the combined budget for all taxing entities is \$1,000,000 and the assessor has determined that the total valuation of all taxable property is \$100,000,000. A tax rate is calculated by dividing the amount of needed tax collections by the total valuations.

$1,000,000 / 100,000,000 = 1$  percent tax rate. On a \$100,000 valuation the taxes would equate to \$1,000.

If the assessor doubles all property valuations and the budget amount remains the same, the tax rate is reduced, but the tax amount stays the same.

$1,000,000 / 200,000,000 = 0.5$  percent tax rate. On a now \$200,000 valuation, the taxes would still equal out to \$1,000. The property valuation doubled but the taxes remained the same. If the property value increases but the taxing authority maintains the current tax rate, the taxes will rise. The jurisdictions can receive more money without changing the tax rate because the value increased.  $\$200,000 \times .01 = \$2,000$ .

Likewise, if the assessor lowered all valuations by 25% and the budget amount remained the same, the tax rate would increase, and the tax amount would remain the same even though the valuation decreased.  $\$1,000,000$  budget /  $75,000,000 = .0134$  tax rate. A previous value of \$100,000 lowered to \$75,000 would still pay \$1,000 in taxes.  $\$75,000 \times .0134 = \$1,000$ .

## WHAT IF THE VALUATION IS INCORRECT?

If a property owner believes the true and full value of their property is incorrect, they should contact the assessor's office for a review. It is the property owner's responsibility to furnish good information about their property to the assessor. An appraisal of your property is only as good as the known information. A property owner would not want to seek a mortgage on the property without a private appraiser knowing all there is regarding the property. Likewise, a property owner can't expect an assessor to fairly assess their property without knowing all there is regarding the property.

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## CAN A PROPERTY OWNER APPEAL?

An assessment appeal is not for complaints about high property taxes. If, as a property owner, you feel that your property taxes are too high, you will NOT win an appeal. High property taxes are an issue for the entities who determine budgets.

A valuation can be appealed if:

- Items that are affecting the valuation are incorrect on the property records. For example, there is only one bath, not two; a double stall garage not a triple; or the square footage of property is wrong.
- Evidence that comparable properties are selling for less than the true and full valuation of your property.
- The property valuation is accurate, but unfair, because it is higher than the property valuation of similar properties.
- Property is eligible for an exemption that was not granted by the assessment officials.

If a property owner believes there may be a possible error in their valuation, the first step would be contacting the assessor's office for an informal meeting to discuss the valuation. At this meeting, you can expect to:

- Review the facts of the property record with the assessment personnel.
- Determine if the information is correct pertaining to your property.
- Develop an understanding of how your property is valued.
- Check that the value is fair when compared to other similar properties in your neighborhood.
- Determine if any exemptions or credits are available to ease your tax burden.

Information regarding a formal appeal of your valuation can be obtained from your assessor. Remember, you will not win an appeal because you feel that taxes are too high. The appeal is only to determine if your valuation is a fair and equitable representation of the market.

For a formal appeal, a property owner must have documentation showing that the valuation is incorrect. A board of appeals will not decide that your valuation is incorrect unless supporting evidence proves otherwise; they will not take your word for it. The assessment staff will be there with documentation to inform the board of how the valuation was determined. The property owner must be able to prove to the board that there is a problem with the valuation. At an appeal hearing, the burden of proof lies with the appellant; therefore, it is our recommendation to provide the following:

- Comparable properties in the current market that are currently assessed less than your property.
- A recent appraisal of your property indicates true and full market value, not just what a bank is willing to lend on.
- Copies of your property records, and neighboring property records, which show inequities amongst values.

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- Recent sale information regarding similar properties with documentation to prove the properties are comparable.

An appeal board is only interested in the fairness and accuracy of the value placed on the property. They are not able to lower valuations because the property owner cannot afford to pay the taxes or feels that the property tax is too high. The assessment staff is here to assist the public and educate property owners about the assessment process. Staff is trained to be respectful, calm, polite and helpful. If a property owner returns the same respect, the staff is better able to concentrate and be more helpful in gathering the information needed for an appeal.

## SALES RATIO EXPLAINED

The sales ratio study is conducted annually by the ND State Tax Commissioner's Office to ensure that the local jurisdictions comply with setting appropriate property values. Every sale of property in Cass County is filed with the state indicating the adjusted sales price (house, lot, and special assessment balance) and the true and full value. If the prior year sales percentage is not within the tolerance range, which for 2024 is 90-100% of the true and full value, then Cass County would need to increase the valuations to bring the overall values into compliance. Value adjustments for new construction or exemptions expiring are not considered in these increases.

### DEFINITIONS

- Median Ratio: A measure of central tendency. Median is affected by the number of observations and is not distorted by the size of extreme ratios. The State Board of Equalization, when equalizing residential and commercial property assessments, uses this. Individual ratios of the sales are arranged in order of magnitude, and then the middle ratio in the series is the "Median Ratio".
- Price Related Differential: A measurement of the relationship between the ratios of high-value and low-value properties to determine if the value of property has any influence on the assessment ratio. If the PRD is 1.00, there is no bias in the assessment of high-value properties in comparison to those for low-value properties. If the PRD is greater than 1.00, then owners of lower-value properties are paying a greater amount of tax relative to the owner of a high-value property. Conversely, if the PRD is lower than 1.00, the opposite is true.
- Coefficient of Dispersion: The most generally useful measure of variability is the coefficient of dispersion (COD). It measures the average percentage deviation of the ratios from the median ratio or how far from the median point, most of the property falls. The tighter the range the better and more equalized your property valuations are.

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## EXEMPTIONS EXPLAINED

There are two types of exemptions allowed under North Dakota Statute. They are discretionary and non-discretionary. To better understand the dollar effect that exemptions have on a political subdivision, it is best to understand the difference between discretionary and non-discretionary exemptions.

### DISCRETIONARY

Discretionary exemptions are those exemptions that a governmental body can choose to grant or not grant. Jurisdictions throughout Cass County currently have the following discretionary exemptions available to property owners:

1. Residential Exemption for New Construction, which offers up to a \$150,000 reduction of the building's value on newly constructed homes for the first two full years after completion of construction. The builder is also afforded a one-year exemption for single-family homes up to \$150,000 on five homes only. This exemption is filed upon purchase of the home for the buyers and by February 1st of each year for the builders.
2. Remodeling Exemption for Improvements to Commercial and Residential Buildings offers an exemption on only the new value added by the project. The exemption can be for 3 or 5 years depending on the scope of the project. The property continues to pay property tax on the existing value. The exemption must be filed for prior to February 1st of the year following the completion of the project. It is an exemption that is granted to both residential and commercial projects.
3. New and Expanding Industry Exemption and the Payment In Lieu of Tax (PILOT) programs offer businesses that are expanding an opportunity to forgo taxes or make a payment in lieu on the project by meeting specific guidelines set forth by the city. This program is used by businesses that have expanded the size of their facility or have built a larger facility to expand into. The exemption, depending on the scope of the project, can be for 5 to 10 years. The New & Expanding Industry exemption must be applied for prior to start of construction and the PILOT must be applied for prior to occupancy. The eligibility for continuance is reviewed annually by the City Commission.
4. Renaissance Zones were created by some jurisdictions to help in the restoration of core areas of their cities. This is the only exemption that collaborates with the State of North Dakota allowing for income tax exemptions as well as five years of property tax exemptions. It applies to both residential and commercial property projects and must be applied for and granted by both the city and the state prior to start of construction.
5. Tax Increment Financing Districts are set up to help in the development of blighted areas. The existing tax base is frozen, and the tax dollars generated by new growth in the TIF are applied to special assessments.

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6. Disability Exemptions and Credits are available for low-income senior citizens and disabled persons through a variety of exemptions. According to statute, these exemptions reduce the amount of tax paid by service-connected disabled veterans, low-income seniors /disabled persons, the blind, or wheelchair property owners. The exemptions and credits range from \$100,000 to \$160,000 of the structure's value. Most applicants must apply annually for the credits. The State of ND refunds jurisdictions for the tax payments lost to credits.

### NON-DISCRETIONARY

Non-discretionary exemptions are those properties that are given exemptions by the North Dakota statute. Local governmental agencies have no control over whether these exemptions are granted or not. Listed below are property ownership types that are entitled to non-discretionary exemptions:

1. Government Owned Properties such as those owned by cities, schools, park districts, and state or federal government. Buildings like County Court House, the High School, or the Post Office are never added to the tax rolls. These types of property do not even have an application process but are simply granted an exemption due to ownership.
2. Religious Organization's Properties that are used exclusively for religious purposes like churches, parsonages, parking lots, or cemeteries are exempt from taxation. If a religious organization were to hold a vacant lot among their assets not used in conjunction with the church, that lot is taxable. Along the same lines, if a church owned the apartment building next door for future expansion, the apartment building is taxable. Religious organizations file an annual application for the exemption.
3. Charitable Property that is owned by non-profit entities is eligible for exemptions. Some examples are Sheyenne Crossing's nursing home facility and the home for unwed mothers. Lodges such as the VFW are exempt on portions of their building used exclusively by the organization and not open to the public. These types of organizations apply annually for their exemption.
4. Group Homes used to care for dependent individuals also are granted non-discretionary exemptions through an annual application process.
5. Farmers are given an exemption on their buildings used for agricultural purposes and on their homes.

### EFFECT OF THE EXEMPTIONS

1. Exemptions reduce the tax base for all political subdivisions in which the property is located. A reduced tax base means reduced tax revenues collected by political subdivisions. When a jurisdiction grants an exemption, the loss of revenue is felt mainly by the school district which receives the largest share of the tax dollar.

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2. An exemption affects the county, city, water districts, state, and park districts. Therefore, it is the jurisdiction's responsibility to act wisely and prudently when granting exemptions. Jurisdictions must look for future revenue and other benefits received from those granted exemptions to see if they outweigh the tax dollars lost.
  3. Property exempt by local discretion or charitable status may be included in optional levy calculations, thereby allowing collection of revenue by raising the tax rate on taxable property. (NDCC § 57-15-01.1) This results in a higher mill rate and higher taxes on taxable property while no taxes are levied on exempt property.



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**COUNTY BOARD OF EQUALIZATION STATUTES**  
**CHAPTER 57-12**  
**COUNTY BOARD OF EQUALIZATION**

**Section**

- 57-12-01. [Membership of Board – Meeting – Spot Checks](#)
- 57-12-02. [Unorganized Territory](#)
- 57-12-03. [Duties of Auditor](#)
- 57-12-04. [Duties of Board](#)
- 57-12-05. [Requirements](#)
- 57-12-06. [Limitations on increase](#)
- 57-12-08. [Auditor Correction Abstracts](#)

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# ASSESSMENT OFFICE PERSONNEL

Jenni Krieg	Principal Clerk/Appraisal Tech
Greg Landa	Property Appraiser II
Nolan Meidinger	Property Appraiser II
Jaret Thompson	Property Appraiser II
Paul Fracassi	Director of Equalization

Our staff is committed to maintaining, understanding, and implementing nationally accepted mass appraisal practices throughout Cass County. We follow the guidance of the North Dakota Tax Commissioner’s Office as well as the North Dakota Century Code. Our goal is to create transparency and uniformity through fair and equitable assessments, which in turn will provide a just tax base to our citizens.

