

North Dakota Property Tax Amendment, Measure 2 (June 2012)

From Ballotpedia

A **North Dakota Property Tax Amendment, Measure 2** will appear on the June 2012 statewide ballot in North Dakota as an initiated constitutional amendment.

The measure proposes eliminating property taxes throughout the state, starting in 2012. The measure was proposed by a group called Empower the Taxpayer in March 2010 and approved for circulation by the North Dakota Secretary of State in late March.^{[1][2]} Specifically, the measure requires legislature to replace local governments' property tax income with state tax revenue.^[3] A similar proposal was rejected in 2009 by the North Dakota Legislature.^[4]

On April 29, 2011 the Secretary of State Al Jaeger confirmed that

supporters collected sufficient signature to qualify the proposed measure for the statewide primary ballot.^[5]

Text of measure

The petition title reads:^[6]

This initiated measure would amend sections 1, 4, 14, 15, and 16 of article X of the North Dakota Constitution and repeal sections 5, 6, 7, 9, and 10 of that same article, eliminating property taxes, poll taxes and acreage taxes, effective January 1, 2012. The measure would replace the lost revenue with allocations of various state level taxes and other revenues, without restrictions on how these revenues may be spent.

Support

In November 2009, Robert Hale, a Minot, North Dakota resident announced that he was in the process of forming a committee, known as the Empower the Taxpayer committee, to propose the measure. According to

Contents

- 1 Text of measure
- 2 Support
 - 2.1 Supporters
 - 2.2 Arguments
- 3 Opposition
 - 3.1 Opponents
 - 3.2 Arguments
- 4 Path to the ballot
 - 4.1 2010 effort
- 5 Timeline
- 6 See also
 - 6.1 Articles
- 7 External links
- 8 Additional reading
 - 8.1 Editorials
- 9 References

Property Tax Amendment



Quick stats

Type:	Constitutional amendment
Constitution:	North Dakota Constitution
Referred by:	Empower the Taxpayer Committee
Topic:	Taxes
Status:	On the ballot

Hale, the ballot language was similar to that of Rep. Dan Ruby's proposal during the 2009 legislative session. The proposed legislation called for amending the North Dakota Constitution to remove property taxes as a sources of state revenue.^[7] The measure is also sponsored by Charlene Nelson of Casselton, North Dakota.

Supporters

- Robert Hale
- Charlene Nelson
- Empower the Taxpayer committee

Arguments

- In response to arguments that removal of the property tax may lead to questions about other types of taxes that are intended as property tax substitutes, sponsors of the proposed amendment said that issue could be resolved by "specifying that some types of taxes are not based on their property value."^[8]
- Supporters of the measure also argue that eliminating property taxes may make the state more attractive to businesses, which may lead to increased revenue for the state. "This would remove the property tax disincentive across the state. I believe that we would see many industries taking a very, very serious look at this state as a place to settle," said Hale.^[8]

Opposition

Opponents argue that it is dangerous to "eliminate an entire source of revenue" and that the proposal is misleading. The proposal, they argue, may appear like a tax cut but may instead force other state taxes upward in order to compensate.

Opponents

- Wahpeton Finance Director Darcie Huwe
- Williams Count Auditor Beth Innis
- North Dakota Public Instruction Superintendent Wayne Sanstead
- Rep. Charles Damschen
- Fargo Moorhead West Fargo Chamber of Commerce

Arguments

- In response to the proposed measure Wahpeton Finance Director Darcie Huwe said, "This will be monumental. Property tax is one way for local governments to kind of control their destiny, with their ability to raise bulk revenue to provide local services. And if we lose that ability or diminish that ability to raise local revenue that provides local services, I think you end up with a disconnect between funding and priorities." If property taxes were eliminated as a source of revenue, local governments would have to depend on the state to replace the source, said Huwe. "In what form and how would it come and would it be the same amount and what would control how much that amount would be... a lot of big unknowns that aren't necessarily defined in the proposed legislation," she said.^[9]

- According to Williams County Auditor Beth Innis eliminating the property tax would have had a serious impact on citizens and could have caused an increase in sales taxes or income taxes in order to compensate for the lost revenue. In particular, Innis said she believed the elimination of property taxes would have impacted people with low or fixed incomes.^[10]
- North Dakota Public Instruction Superintendent Wayne Sanstead said, "It has ramifications that could be severe for certainly, I'd say, school districts, but all political subdivisions." Sanstead argues that the legislature has taken strides to reduce property taxes. "We're down around 30 percent now. It's a lot less than it was when I came into this office, and I'm happy about that, but the first is, to eliminate totally, that's a whole different kettle of fish," said Sanstead.^[11]
- Rep. Charles Damschen said that he is concerned that voters may assume that the proposed amendment means a tax cut. Damschen argues that it may in fact force state taxes upward. "This really is not going to be a net tax cut, and if people believe that, or are told that, it's really misleading. That revenue isn't going to just appear (elsewhere) when we abolish property tax," he said.^[12]
- Fargo Moorhead West Fargo Chamber of Commerce President and CEO Craig Whitney said, "To eliminate an entire source of revenue for nearly 3,000 political subdivisions without an approved methodology to replace that funding is dangerous. Instead, we need to explore alternative, sustainable revenue sources in order to lower the tax burden on property owners."^[13]

Path to the ballot

See also: North Dakota signature requirements

The petition is valid for one year and may still appear on the 2012 ballot. The petition is valid until March 29, 2011. According to new census numbers, the measure now requires a minimum of 26,904 valid signatures in order to qualify for the 2012 ballot.^[14]

According to reports, supporters of the proposed measure submitted an estimated 27,800 signatures. Secretary of State Al Jaeger has until April 29 to verify and validate the signatures.^{[15][16]}

On April 29 Jaeger reported that the measure had more than 28,000 valid signatures thus qualifying the measure for the statewide ballot.^[5]

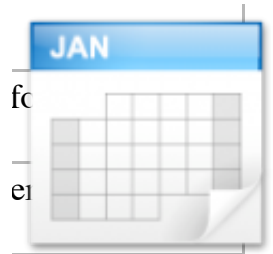
2010 effort

Amendment supporters were required to collect a minimum of 25,688 valid signatures by August 4, 2010 in order to place the measure on the 2010 ballot.^[7] However, if valid signatures were submitted after the August 4th deadline, the measure would have been placed on the June 2012 statewide ballot.^[17] According to reports, supporters failed to file the required signatures by petition deadline day on August 4, thus failing to qualify for the 2010 ballot.

Timeline

The following is a timeline of events surrounding the measure:

Event	Date	Developments
Filing	<i>Mar 2010</i>	Measure was proposed by Empower the Taxpayer and approved by the secretary of state.
Signatures	<i>Apr. 29, 2011</i>	North Dakota Secretary of State Al Jaeger confirmed that sufficient signatures.



See also

- 2012 ballot measures
- North Dakota 2012 ballot measures

Articles

- North Dakota property tax initiative qualifies for June 2012 ballot
- Petition signatures submitted for North Dakota property tax initiative
- North Dakota man proposes eliminating property taxes for 2010 ballot

By Bailey Ludlam
Ballot measure writer



Email (<mailto:bdludlam@ballotpedia.org>) • [Submit a link](#)

External links

- Initiative text (<http://www.nd.gov/sos/electvote/elections/docs/petition-elimination-prop-tax.pdf>)
- Initiative timeline (<http://www.nd.gov/sos/electvote/elections/docs/timeline-elimination-prop-tax.pdf>)

Additional reading

- *Associated Press*, "Lawmakers to study ND measure that would abolish property taxes," May 10, 2011 (<http://www.therepublic.com/view/story/581e298d7160466095a1859671fad1ce/ND--Legislature-Property-Taxes/>)
- *KFYR-TV*, "ND Considers Abolishing Property Taxes," July 22, 2010 (http://www.kfyrtv.com/News_Stories.asp?news=41727)
- *The Bismark Tribune*, "Petitions seek to put six measures on ballot," April 1, 2010 (http://www.bismarcktribune.com/news/local/govt-and-politics/article_12b1776e-3dc4-11df-9803-001cc4c03286.html)
- *Williston Herald*, "Proposal would abolish property taxes," March 23, 2010 (<http://www.willistonherald.com/articles/2010/03/23/news/doc4ba8e2d1ede68176879351.txt>)

Editorials

- *The Dickinson Press*, "Replacing property tax money is hard," May 15, 2011 (<http://www.thedickinsonpress.com/event/article/id/47774/group/Opinion/>)
- *The Bismark Tribune*, "Property taxes pay for services to roads, streets, schools; may be the best way," April 22, 2010 (http://www.bismarcktribune.com/news/opinion/mailbag/article_97c0b95e-4dbb-11df-)

References

1. ↑ *KFYRTV*, "ND Group Pushes to Abolish Property Taxes," March 17, 2010 (http://www.kfyrtv.com/News_Stories.asp?news=38539)
2. ↑ *KXNet*, "Tax petition," March 17, 2010 (<http://www.kxnet.com/getArticle.asp?ArticleId=540514>)
3. ↑ *Associated Press*, "Measure would abolish N.D. property taxes in 2012," March 17, 2010 (<http://www.jamestownsun.com/event/article/id/107154/group/home/>)
4. ↑ *Associated Press*, "Measure to abolish ND property taxes approved," March 30, 2010 (<http://www.grandforksherald.com/event/apArticle/id/D9EOS9700/>)
5. ↑ ^{5.0} ^{5.1} *Associated Press*, "Measure to abolish N.D. property taxes on ballot," April 29, 2011 (<http://www.jamestownsun.com/event/article/id/134901/group/homepage/>)
6. ↑ *North Dakota Secretary of State*, "Measure 2 text," retrieved September 23, 2011 (<http://www.nd.gov/sos/electvote/elections/docs/petition-prop-tax.pdf>)
7. ↑ ^{7.0} ^{7.1} *Minot Daily News*, "To tax or not to tax," November 27, 2009 (<http://www.minotdailynews.com/page/content.detail/id/534414.html?nav=5010>)
8. ↑ ^{8.0} ^{8.1} *Associated Press*, "ND property tax abolition backers challenged," June 22, 2011 (<http://www.greenwichtime.com/news/article/ND-property-tax-abolition-backers-challenged-1436106.php>)
9. ↑ *Wahpeton Daily News*, "Measure could reduce city funding, services," May 19, 2010 (<http://www.wahpetondailynews.com/articles/2010/05/19/news/doc4bf441b16cde9310714586.txt>)
10. ↑ *Williston Herald*, "Questions linger on proposal to abolish property taxes," May 24, 2010 (<http://www.willistonherald.com/articles/2010/05/24/news/doc4bf4aa470c855721961830.txt>)
11. ↑ *KFYRTV*, "Lawmakers Debate Abolishing Property Taxes," July 26, 2011 (http://www.kfyrtv.com/News_Stories.asp?news=51145)
12. ↑ *The Jamestown Sun*, "Assessments could replace property taxes in N.D.," August 16, 2011 (<http://www.jamestownsun.com/event/article/id/142131/>)
13. ↑ *ValleyNewsLive.com*, "The Chamber opposes ND property tax elimination," September 22, 2011 (<http://www.valleynewslive.com/story/15527876/the-chamber-opposes-nd-property-tax-elimination>)
14. ↑ *Associated Press*, "Ballot measure to abolish ND property taxes still seeking last-minute signatures," March 28, 2011 (<http://www.therepublic.com/view/story/3d8b44bf40ae4eb5a5cee0080e68ed3e/ND--Abolish-Property-Taxes/>)
15. ↑ *Associated Press*, "Amendment would abolish property taxes," March 26, 2011 (<http://www.inforum.com/event/article/id/313722/group/News/>)
16. ↑ *Associated Press*, "Property Tax Amendment Goes to ND Secretary of State," March 28, 2011 (<http://www.valleynewslive.com/Global/story.asp?S=14334939>)
17. ↑ *KFYR-TV*, "Green Light Given for Property Tax Petition," March 29, 2010 (http://www.kfyrtv.com/News_Stories.asp?news=38837)

Retrieved from

"[http://ballotpedia.org/wiki/index.php/North_Dakota_Property_Tax_Amendment,_Measure_2_\(June_2012\)](http://ballotpedia.org/wiki/index.php/North_Dakota_Property_Tax_Amendment,_Measure_2_(June_2012))"

Categories: North Dakota 2012 ballot measures, certified | Taxes, North Dakota | Certified, taxes, 2012 |

Initiated amendment certified for the 2012 ballot

- This page was last modified on 23 September 2011, at 13:21.
- Content is available under GNU Free Documentation License 1.2.