

Property Tax Exemptions

Business Property Tax Exemptions

North Dakota offers the following property tax exemptions for businesses.

Jump to Individual Property Tax Exemptions

New or Expanding Business - Property Tax —

A business project may qualify for a property tax exemption for up to 5 years.

Two extensions are available:

- Agricultural processors may be granted a partial or full exemption for up to 5 additional years.
- A project located on property leased from a government entity qualifies for an exemption for up to 5 additional years upon annual application by the project operator.

In addition to, or instead of, an exemption, local governments and any project operator may negotiate payments in lieu of property tax for a period of up to 20 years from the date project operations begin.

Guideline - Property Tax Incentives for New or Expanding Business [↗](#)

Eligibility: Projects must be a new or expanding primary sector business. **Primary sector** is a business that adds value to product, process, or service that produces new wealth in North Dakota. **Primary sector certification** must be gained from the North Dakota Department of Commerce Division of Economic Development and Finance.

A project is not eligible for an exemption if any of the following apply:

- A tax exemption was received under tax increment financing
- The exemption fosters unfair competition or endangers existing business
- Land does not qualify for an exemption

A city or county with a population of less than 40,000 may grant an exemption for a retail project (non-primary sector) if the voters have approved the granting of exemptions and criteria for retail sector projects.

Application Process:

- **Application for Property Tax Exemption for New or Expanding Businesses** [↗](#) - North Dakota Department of Commerce Division of Economic Development and Finance
- **Primary Sector Certification** - North Dakota Department of Commerce Division of Economic Development and Finance
- One of the following Clearance Forms may be needed:
 - **State Clearance Record Form** [↗](#)
 - **Property Tax Clearance Record Form** [↗](#)
- Apply to the city or county the project is located in. The application for exemption must be made and approved before construction of a new structure begins. If an existing structure will be occupied, application must be made and approved before the structure is occupied. Payments in lieu of taxes may be approved after construction or occupancy of a structure.
- Project must publish 2 notices in the official newspaper of the city or county at least 1 week apart if it is determined there are local competitors. The last notice must be published at least 15 days, but not more than 30 days, before the application is considered.
- A public hearing on the application must be held, after which the governing body acts on the application.

Century Code Reference: **N.D.C.C. § 40-57.1**

Personal Property Tax Exemption +

Individual Property Tax Credits

North Dakota offers the following property tax credits for individuals.

Jump to Business Property Tax Exemptions

Disabled Veteran's Property Tax Credit	+
Homestead Property Tax Credit and Renter's Refund	+
Farm Residence Exemption	+
Additional Property Tax Exemptions	-

The below are forms you may need to submit to your local official for consideration.

- **Application for Abatement**[↗](#) - Request for abatement or refund of taxes on property.
 - Learn more about the **Property Tax Assessment Process**[↗](#).
- **Application For Classification as Inundated Agricultural Land**[↗](#) - Request for classification of inundated agricultural land.
- **Application for Property Tax Exemption**[↗](#) - Request for consideration of a real property exemption.
- **Application For Property Tax Exemption For Improvements To Commercial And Residential Buildings**[↗](#) - Request for exemption of improvements on commercial or residential property valuation.
- **Application For Exemption Of Solar, Wind, or Geothermal Devices**[↗](#) - Request for exemption of any of these used to provide heating, cooling or electrical power.