

Centrally and Locally Assessed Properties

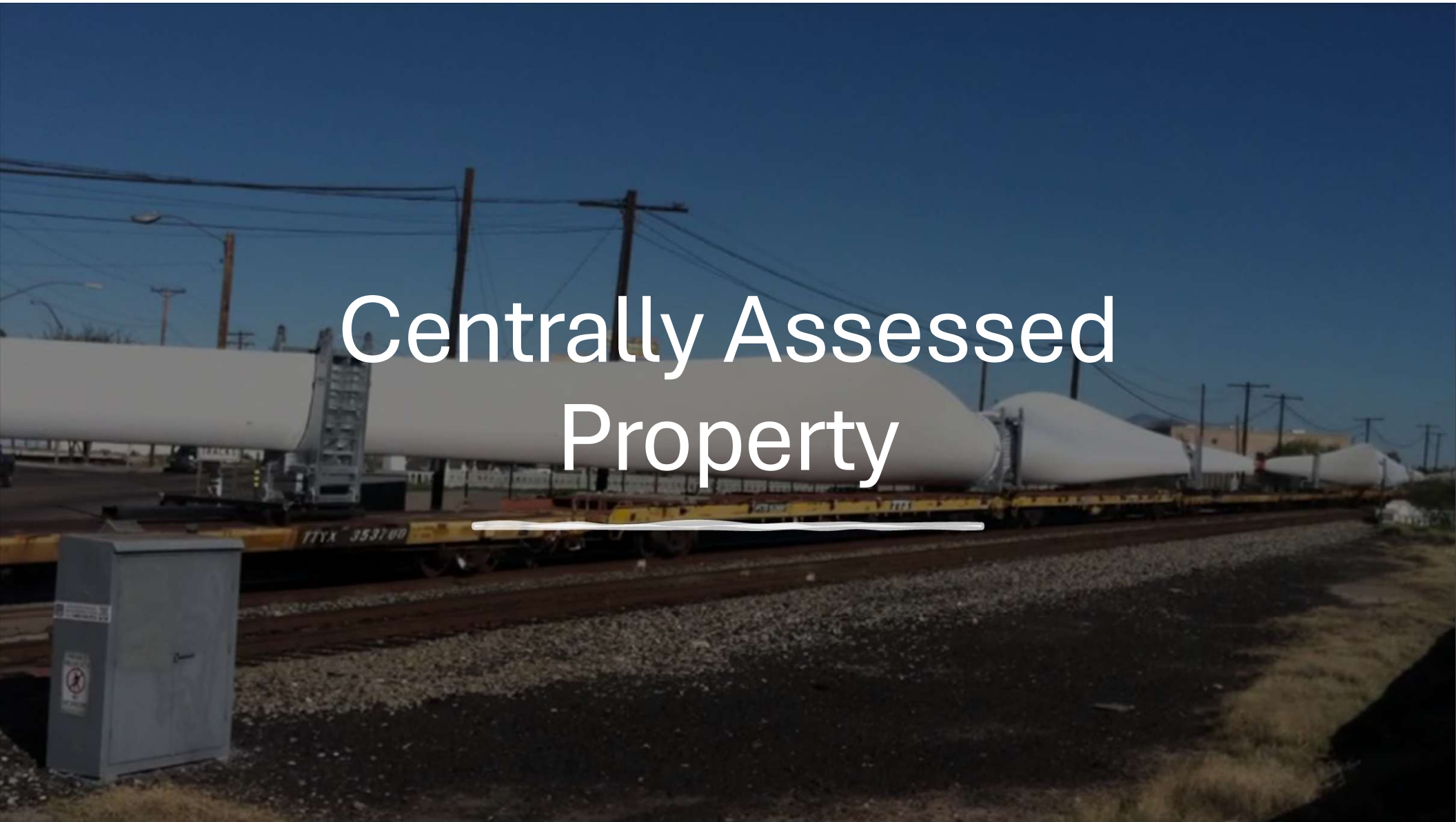
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Centrally Assessed Property



Centrally Assessed Properties – Ad Valorem

- Oil Pipelines (29)
- Natural Gas Pipelines (38)
- CO2 Pipelines (3)
- Railroads (6)
- Wind Farms (16)
- Electric and Gas Companies (6)
- Air Transportation Companies (11)

Oil, Natural Gas, and CO2 Pipelines

- All operating property, real and personal, is subject to assessment
- System value is calculated and allocated to North Dakota based on book value of operative property in the state
- Both cost and income approaches are typically used when sufficient information is available

Railroads

- Only real property is subject to assessment
- Personal property is removed from the system value
- A share of the system value is allocated to North Dakota according to gross revenues, revenue traffic units, and car and locomotive miles
- Both cost and income approaches are typically used when sufficient information is available

Wind Farms

- All operating property, real and personal, is subject to assessment
- A system value is calculated and allocated to North Dakota based on location of operating property
- Both cost and income approaches are typically used when sufficient information is available

Electric and Gas Companies

- All operating property of investor-owned utilities, real and personal, is subject to assessment
- A system value is calculated and allocated to North Dakota
- System value excludes cost of new wind farms and transmission lines subject to tax under N.D.C.C. 57-33.2
- Both cost and income approaches to value are used when sufficient information is available

Air Transportation

- Total of net lease payments for real property divided by the cap rate provides the market value.
- Cities with airlines and air transportation companies provide the total taxable value, broken down by school districts, multiplied by the mill rate to determine an average mill rate.
- Each airline's taxable value is multiplied by the average yearly mill rate to calculate the tax due.
- The tax due for each airline is allocated to each airport by the respective percentage.

Centrally Assessed Payment In Lieu

- Distribution (20)
- Transmission (35)
- Generation (4)
- Generation from Wind (24)

Electric Distribution Tax

Calculated at a rate of eighty cents per megawatt-hour for retail sale of electricity delivered to a consumer in this state during the calendar year

County Name	City Name	Company Name	Township Number	Township Name	Range Number	Section Number	School District	Fire District	Other Tax District	Other Tax District 2	Miles	Megawatt Hours	Total Line Tax
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.66	38.46	31.14
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.91	67.23	48.61
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	3.49	9.27
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	5.84	10.21
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	47.62	26.92
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	17.22	14.76
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.25	41.35	22.51
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	18.6	15.32
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.1	30.28	14.5
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	1	1.95	24.65
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	0.47	8.06
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	36.58	22.51
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.1	20.06	10.41
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.75	32.71	30.98
County	none	Distribution	Twp #	Township	Rng #	Sec #	district	district	district	none	0.33	20.62	16.13
TOTALS											6.41	382.48	305.98

Example	
Total Tax for company (total of all MWH sales for company * .80)	\$ 305.98 (382.48*.8)
Total all miles for company (=total tax / 2)	\$ 152.99 (305.98/2)
Total all MWH sales for company (=total tax / 2)	\$ 152.99 (305.98/2)
Total Tax for allocation for company (=total miles for company + total MWH sales for company)	\$ 305.98 (152.99+152.99)
Allocation of Lines:	
Line Miles / total Miles for company * total tax for company / 2	\$ 15.75 ((.66/6.41)*152.99)
Plus	
Line MWH / total MWH for company * total tax for company / 2	\$ 15.38 ((38.46/382.48)*152.99)
Equals Line Allocated Tax Amount	\$ 31.14 (15.75+15.38)

Electric Transmission Tax

Subject to annual taxes per mile or fraction of a mile based on their nominal operating voltages and year placed in service

Transmission Line Placed in Service on or Prior to January 1, 2009:

Less than 50 kV	50 kV or more and less than 100 kV	100 kV or more and less than 200 kV	200 kV or more and less than 300 kV	300 kV or more
\$50 per mile	\$100 per mile	\$200 per mile	\$400 per mile	\$600 per mile

Transmission Line Placed in Service after January 1, 2009, and before December 31, 2013:

Less than 50 kV	50 kV or more and less than 100 kV	100 kV or more and less than 200 kV	200 kV or more and less than 229 kV	230 kV or more
\$50 per mile	\$100 per mile	\$200 per mile	\$400 per mile	\$300 per mile

Transmission Line Placed in Service after December 31, 2013:

Less than 50 kV	50 kV or more and less than 100 kV	100 kV or more and less than 200 kV	200 kV or more and less than 229 kV	230 kV or more
\$50 per mile	\$100 per mile	\$200 per mile	\$400 per mile	\$300 per mile

Electric Wind Generation Tax

Wind generators, wind farms, and associated collector systems

- Subject to a tax of \$2.50 per kilowatt times the rated capacity of the wind generator and
- A tax of one-half of one mill (.0005) times each kilowatt hour of electricity generated by the wind generator

Electric Generation From Wind and Total Tax for Each County					
	Rated Capacity	Capacity Tax <i>Rated Capacity times \$2.50 per kilowatt hour</i>	Kilowatt Hours Generated <i>During previous calendar year</i>	Generation Tax <i>Kilowatt hour times \$0.0005 per kilowatt hour</i>	Total Tax
	209	522,500.00	588,244,034	294,122.02	816,622.02
Formula	Rated Capacity (C16)*1000*2.5=Capacity Tax (D9)		Kwh (E9)*0.0005=Generation Tax (F9)		Capacity Tax plus Generation Tax

Electric Generation Tax

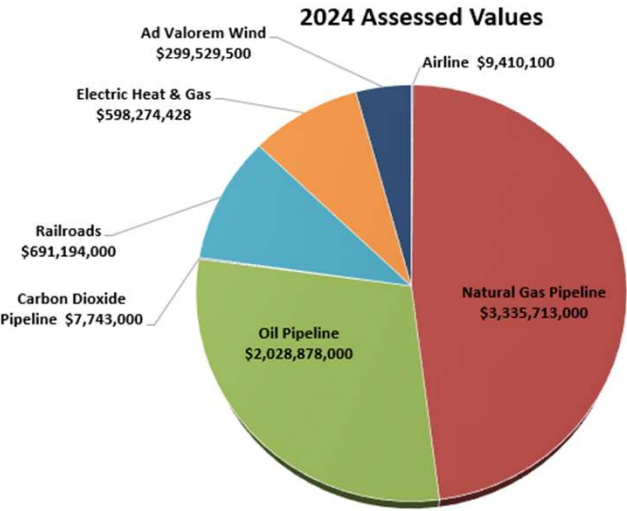
Grid-connected generators that are part of a project with generation capacity of one hundred kilowatts or more

- Subject to taxes based on fifty cents per kilowatt times the rated capacity of the generation unit and
- One mill per kilowatt-hour of electricity generated by the production unit

Electric Generation and Total Tax for Each County					
	Rated Capacity	Capacity Tax <i>Rated Capacity times \$0.50 per kilowatt</i>	Kilowatt Hours Generated <i>During previous calendar year</i>	Generation Tax <i>Kilowatt hour times \$0.001 per kilowatt hour</i>	Total Tax
	20,000	10,000.00	81,813	81.81	10,081.81
Formula	Rated Capacity (C9)*.05=Capacity Tax (D9)		Kwh (E9)*0.001=Generation Tax (F9)		Capacity Tax plus Generation Tax

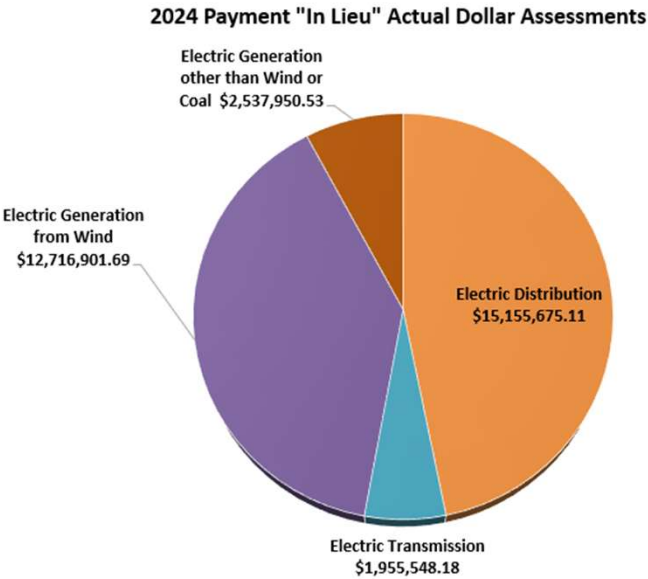
NORTH DAKOTA STATE BOARD OF EQUALIZATION
CENTRAL ASSESSMENT - 2024 SUMMARY

2024 CENTRALLY ASSESSED - ASSESSED VALUES		
Airline	\$	9,410,100
Natural Gas Pipeline	\$	3,335,713,000
Oil Pipeline	\$	2,028,878,000
Carbon Dioxide Pipeline	\$	7,743,000
Railroads	\$	691,194,000
Electric Heat & Gas	\$	598,274,428
Ad Valorem Wind	\$	299,529,500



NORTH DAKOTA STATE BOARD OF EQUALIZATION
CENTRAL ASSESSMENT - 2024 SUMMARY

2024 CENTRALLY ASSESSED - PAYMENT "IN LIEU"		
Electric Distribution	\$	15,155,675.11
Electric Transmission	\$	1,955,548.18
Electric Generation from Wind	\$	12,716,901.69
Electric Generation other than Wind or Coal	\$	2,537,950.53



Centrally Assessed Timeline

- All centrally assessed companies assessed (January 1)
- Companies submit reports (May 1)
- Tentative assessments sent to companies (June 15)
- July – Final Assessments complete (July 1)
- July - State Board of Equalization reviews recommendations and finalizes assessments (2nd Tuesday)
- July - Allocation of value to taxing jurisdictions (ASAP)

A photograph of a row of houses in a residential neighborhood. The houses have varying siding colors, including green, red, and brick. A tree with yellow autumn leaves is on the left, and a green bush is in the foreground. The sky is blue with white clouds. The title 'Locally Assessed Property' is centered in white text with a white underline.

Locally Assessed Property

Property Valuation

The fair and equitable management of the property tax system is crucial. The efficiency and accuracy in assessing the market value of taxable properties directly impacts the share of local government expenses assigned to each property owner.

- The Sales Comparison Approach
- The Cost Approach
- The Income Approach

Residential Property

A building classified as residential is one which is used as a dwelling by an individual or group of individuals and provides separate family living quarters for less than four separate family units.

- Single Family Dwelling
- Duplex
- Triplex

Residential Property has now been split into two classifications:

- Primary
- Non-Primary

Commercial Property

Buildings not located on the same parcel as a residence and not used in connection with a residence should be classified as commercial property.

- Apartment buildings (4-plex or greater)
- Retail buildings
- Shop condos
- Vacant lots

Agricultural Property

“Agricultural property” means platted or unplatted lands used for raising agricultural crops or grazing farm animals.

- Actual use of the land for cropland or noncropland purposes by the owner of the parcel.
- Soil type and soil classification data from detailed or general soil surveys; (From NRCS Web Soil Survey)
- Modifiers as approved by the State Supervisor of Assessments

Locally Assessed Timeline

- All real property assessed (February 1)
- Finalize all assessments (March)
- April - Township Boards of Equalization meet (within the month)
- April - City Boards of Equalization meet (first 15 days)
- June – County Boards of Equalization (first 10 days)
- August – State Board of Equalization (2nd Tuesday)
- October - State Board of Equalization (finalize equalization)

<https://www.tax.nd.gov/news/resources/tax-deadlines/property-tax-deadlines>

Questions?
THANK YOU!

