

Staff Report for 2018 State Board of Equalization

September 24, 2018

File No.: 2018-PEMBINA-COMMERCIAL

Prepared By: Property Tax Division – LL

County or City: Pembina County

Appellant:

Issue: Commercial property needs a 4% increase to be within tolerance.

Summary: The ratio adjustment worksheet for 2018 calculated an indicated True & Full/Market Value ratio of 86%.

Analysis: Reports submitted by Pembina County were reviewed and education provided to the new tax director. Following review of the updated materials, the commercial True & Full/Market Value ratio remains 86%.

Thirty sales were reported for 2015, 2016, and 2017. Sixteen of these sales were well below the tolerance level; indicating a need to review commercial property assessments within Pembina County. Reassessment of commercial property for equalization is required at the local level to address the market identified in each city and township. The Property Tax Division will work with Pembina County to review processes required for the 2019 assessment before the end of calendar year 2018.

As adopted by the State Board of Equalization for 2018 assessments, jurisdictions outside of tolerance will be increased to 93 percent of market value.

Recommendation: Direct Pembina County to increase all commercial assessments by 7%. Review property assessment notice requirements provided in North Dakota Century Code §57-02-53(1)(b) and administer as applicable.