

NORTH DAKOTA

North Dakota made radical changes in its tax laws this year, (1917) practically taxing improvements only one-sixth as much as land. This is the furthest step taken toward the Single Tax by any State.

The constitution of North Dakota formerly required the general property tax; that is, the taxation of all property at the same rate. In 1914, the constitution was amended so as to permit classification, and apparently the text would allow the exemption of any class of property, although the legislature seemed to doubt its power to give entire exemption.

At the session of 1917 the assessable property of the State was divided into three classes. Class one comprises all land (both city and country) railroad, express, and telegraph property, and bank shares, to be assessed at thirty per cent. of its full value. Class three includes all household goods, wearing apparel, and structures and improvements upon farm land, such property to be assessed at five per cent. of its full value. The law provides that cities may by referendum vote bring their buildings within this classification. All other property is included in class two and is to be assessed at twenty per cent. of its actual value; this will include city buildings, unless otherwise voted.

The effect of these changes is, (1) that buildings and improvements upon farm land will be taxed only one-sixth as much as land, (2) that cities may bring their buildings under this provision, and (3) that otherwise city buildings will be taxed two-thirds as much as land.

Hon. F. E. Packard, a member of the North Dakota State Tax Commission, in commenting upon this legislation says:

"The peculiar thing about this classification was the perfect willingness of the farmer legislators to include acre property in the classification with railroads, bank stock, and other public service corporations. This is a very strong indication of the Single Tax sentiment among the farmers in North Dakota. As real property embraces 70 per cent. of all taxable property, it can be seen that this classification means something to the land owners of North Dakota."

This legislation is the result of a formidable movement among the farmers of the State, who organized the Farmer's Non-Partisan League last year and elected all State officials, except the treasurer, and an overwhelming majority of the lower house in the legislature. Their platform called for the exemption of farm improvements from taxation, but, as there was some doubt as to the constitutionality of complete exemption, the classification plan was adopted instead.