

CITY OF RUGBY
Guidelines for Property Tax Exemption for New Single Family, Condominium, and
Townhouse Residential Properties
NDCC 57-02-08 (35)

Ownership Requirements:

- The property must be owned and occupied for the first time by a person other than the builder.
- The property does not have to be occupied on the assessment date.
- Maximum exemption allowed is \$150,000 of true and full valuation for two taxable years after completion of construction of residential structure only. Land is taxable.
- General taxes and installments of special assessments on the property may not be delinquent.

Properties That Are Eligible:

- All new single family residential property on which construction is completed after passage of the new resolution is eligible when the residence is owned and occupied for the first time.
- All new condominium and townhouse residential properties on which construction is completed after passage of the resolution is eligible when the residence is owned and occupied for the first time.
- Duplexes that have separate legal descriptions and owners are to be considered townhouses.
- Outbuildings and other improvements normally associated with residential living are included in the exemption.
- Modular and other off-site-built residences are eligible for the exemption, provided they are on a permanent foundation. Completion of an off-site-built residence has been installed on the foundation and is approved for occupancy.

HOW TO APPLY

1. An application must be filed with the City Assessor.
2. The assessor must determine if the improvements qualify for the exemption; however, the governing body must approve the exemption before it becomes effective.
3. If the renovation, remodeling or alterations qualify, the last assessment on the building would remain the same for up to five years unless an equalization percentage change is made or a reevaluation program for buildings is completed.
4. The land values are adjusted periodically in accordance with market values of property in the area.