



North Dakota Becomes Sixth State to Constitutionally Ban Real Estate Transfer Taxes – January 2015

What do Arizona, Louisiana, Missouri, Montana, Oregon, and North Dakota have in common? Before you spend any time on the nature of their altitudes, populations, or state birds, consider this: as of November 2014, each of these states has constitutionally abolished future real estate transfer taxes. And each of them has done so with the considerable help of the REALTOR® Party.

North Dakota, which had been working with NAR all year to bring about the preemptive ban on transfer taxes, became the sixth state in the union to achieve this constitutional protection for its property owners, when voters made their feelings known in November. Nancy Willis, Government Affairs Director of the 1,600-member North Dakota Association of REALTORS® (NDAR,) declares that this victory for homeowners could not have happened without NAR's tremendous support and guidance.

In fact, the effort dates all the way back to 2012, when NDAR was part of a coalition to defeat a legislative measure that would have strictly limited municipalities' ability to levy taxes. Working proactively and in consultation with NAR, NDAR then began taking steps to ensure that governments seeking to cover budget deficits or to lower income taxes would not be able to set their sights on a real estate transfer tax, effectively a "double tax" on property owners, as an attractive source of revenue. Thanks to the efforts of one of North Dakota's REALTOR® legislators, a measure was placed on the November 2014 ballot, leaving it up to the voters to decide whether or not there should be a constitutional amendment banning transfer taxes.

NDAR launched an energetic campaign to get its message across, with a sizeable Issues Mobilization Grant from NAR, as well as invaluable guidance from its Campaign Services division. The North Dakota Association has an Issues Mobilization Fund of its own, from which it contributed \$36,000 to the campaign. NAR provided several rounds of polling, which showed that voter education would be the real challenge: because of the particular wording of the measure, voters would have to understand that supporting the ban on the tax would mean voting 'Yes', not 'No'. To get the job done, NDAR hired a local advertising firm with plenty of political experience. The bulk of the campaign budget was spent on electronic media, television, and radio advertising. Close to the end of the campaign, it was decided that direct mailers would be more effective in reaching the state's seniors, so several were produced and sent. All the major newspapers in North Dakota endorsed NDAR's position; as Campaign Director, Willis met personally with their editorial boards, together with local REALTORS® who knew members of the boards.

NDAR also conducted two training sessions, one on the east side of the state and one in the west, to help all its members better educate their contacts about the issue. "Our individual REALTOR® members really stepped up to the plate, planting yard signs and wearing buttons, and explaining the importance of the vote to anyone who would listen," says Willis. "I got lots of email reports saying, 'I talked to the Kiwanis Club today...' and

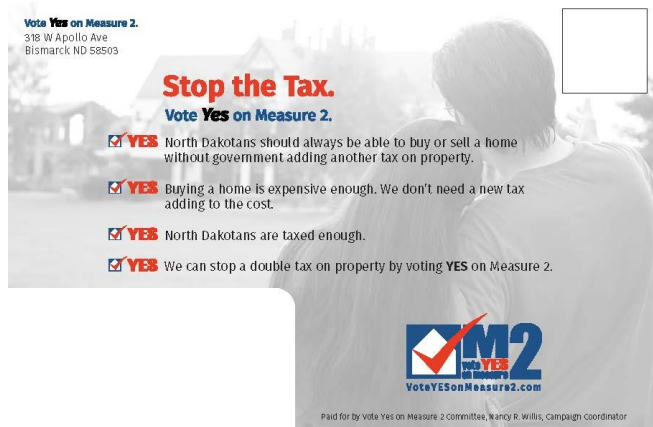


so on. Our members were very active, and deserve a lot of credit for their efforts -- and for our win."


Of the eight measures on North Dakota's ballot on Election Day, only Measure #2, banning transfer taxes, was passed. Voters said 'Yes!' by a margin of 75 percent. "It was a significant win, and not a sure thing at all," says Willis. "We are so appreciative of all the help we got from NAR and its Issues Mobilization team, who really made it possible."

To learn more about how North Dakota became the sixth state in the nation to achieve a constitutional ban on future real estate transfer taxes, contact Nancy R. Willis, Government Affairs Director of the North Dakota Association of REALTORS®, at nancy@ndrealtors.com or 701-355-1010.

Three mailers from NDAR's successful campaign to ban real estate transfer taxes





 **YES**
We can stop a double tax on property in North Dakota.

Stop the Tax.
Vote **Yes** on Measure 2.


VoteYESonMeasure2.com

Vote **Yes** on Measure 2.
318 W Apollo Ave
Bismarck ND 58503

 **YES** North Dakotans are taxed enough.
Vote **Yes** on Measure 2 to stop another tax.

We all want lower property taxes. But in 36 states including South Dakota and Minnesota, government is charging an additional tax for buying or selling property. Think of it: you're taxed for owning property, and then you're taxed again for selling it. We need to stop this kind of double tax on residential, commercial or ag property from coming to North Dakota. Yes, we can stop it by voting YES on Measure 2.

Stop the Tax.
Vote **Yes** on Measure 2.


VoteYESonMeasure2.com

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