

Staff Report for 2026 State Board of Equalization

File No.: 2026 – TRAILL – KOENIG

Prepared By: Property Tax Division

County or City: TRAILL COUNTY

Appellant: LA VERNE KOENIG

Type of Appeal: RESIDENTIAL AND AGRICULTURAL

Appeal Issue: Mr. La Verne Koenig is appealing the value of \$196,300 on parcel number 03-0000-00401-010, located at 15520 Highway 200A SE, Blanchard, ND.

Analysis:

Summary of Findings:

Proposal for Board Review:

600 E. BOULEVARD AVE., DEPT 127
BISMARCK, ND 58505-0599

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ARGUMENT FOR TAX ASSESSMENT INCREASE RESISTANCE

The local board violated NDCC 57-02 by failing to deduct the value of the tornado damage from the June 20, 2025 event.

While it appears from the statutes that farm buildings are not generally taxed, the house on the farm property is. While there was no insurance coverage thereon, there was damage that needed repaired. Some of which remains yet to be done.

But for the tax assessor to impose a \$26,000 increase in taxable valuation other factors prove they proceeded in an illegal and unlawful manner.

A local like sales factor does not take into consideration tornado damage done to my house or other buildings. Generally no like sale would be valid for comparison unless the house was in a destroyed state and was bought severely discounted to cover the cost of rebuilding. No evidence has been supplied by the local assessor that such an event ever occurred for this \$26,000 increase in one year. Pursuant to NDCC 57-02-11(4) "if a residential building or farmhouse suffers tornado damage, the assessor is legally required to investigate and deduct the loss from the valuation. If a farmhouse lost value due to a tornado, the structural valuation should have dropped, not contributed to a \$26,000 spike. Even if the home was repaired later, the valuation cannot leap above its standard, pre-disaster fair market value.

2. The valuation based on soil index or type violates the truth about this specific property. For one, a branch of the Elm River transgresses the full length of the property. As such the land is under water and contains adjoining land that is non productive for livestock grazing. In addition, it is in a "landlocked" situation and has been since 2018. Under NDCC 57-02-27.2(6) if agricultural land of 10 contiguous acres or more is underwater/flooded to the point that you cannot grow crops or graze livestock for two or more consecutive growing seasons, it qualifies for an extreme tax reduction. The formula the law mandates that the agricultural value of the inundated land must be slashed to exactly 10 percent of the average non-crop value in your county. Increasing the value of flooded, flowing, and undated water acreage directly violates this calculation.

2. The Restrictive State Highway Easement (NDCC 57-02-27.2. The state highway frontage easement completely destroys the economic "productivity index" of that portion of your property.

The law: Agricultural land in North Dakota is valued entirely by its economic capacity (either crop potential or animal unit carrying capacity for grazing).

The violation: Because the state highway easement legally prohibits livestock grazing, that land's agricultural productivity value drops to zero for grazing purposes. Local boards cannot assess land based on a usage that is legally forbidden by a state easement. It must be classified as "non-productive" or "waste" modifiers.

3. The Landlocked Portion (County Modifier Mandate). As previously outlined, a standard piece of productive property has access. Land that is completely landlocked cannot be brought to market. ND county Tax Directors are mandated by the state to apply localized soil modifiers to account for severe access restrictions.

Summary of the Local Board's Double -Error

The local body has committed a compounding legal error:

1. They failed to subtract value for a tornado-damaged structure under NDCC 57-02-11(4).
2. They simultaneously inflated land values on acreage that state law explicitly mandates must be discounted due to flooding (Sec. 57-02-27.2(6) and legal easements.

- The Valuation Jump: The value Last Year: \$ This year: \$ +\$26,000
- Previous valuations were in error to. Failing to take in account the Landlocked/inundated/legally prohibited easement restrictions.
- Legal Foundation: State law clearly mandates that the local board misapplied explicit statutory mandates:
- The June 20, 2025 tornado damage to the farmhouse, pursuant to NDCC 57-23-04 to adjust the valuation downward for the post-disaster months of the tax cycle. Carrying a pre-disaster valuation into a post-disaster landscape is an invalid, inequitable, and unjust assessment. As NDCC 57-23-04(1)(g) provides when any building or structure is damaged or destroyed by a natural disaster like a tornado, a tax abatement or refund must be granted for the remaining portion of the year after the damage occurred. Traill County has abused its discretion in not complying with mandatory mandates.
- Like sales of alleged comparable home sales for a comparison of or justification for increase property “true and full” valuation results in a flawed and unjust valuation, when the state statute dictates a completely different mandate.
- Structural Deduction Violation (NDCC 57-02-11(4)) State law mandates that the assessor shall investigate and deduct losses for structures destroyed or injured by a tornado. The farmhouse suffered documented tornado damage. Instead of a statutory deduction, the local board increased the overall value. This is a direct violation of the Law.
- Inundated & Restricted land Miscalculation (NDCC 57-02-27.2) A major portion of this tract is landlocked, underwater, and bound by a state highway easement that legally prohibits livestock grazing. Under NDCC 57-02-27.2(and accompanying Inundated Agricultural Land Tax Reduction guidelines) agricultural land that is entirely unsuitable for growing crops or grazing farm animals due to water inundation qualifies for a severe reduction in valuation.
- Failing to recognize that this land has a zero agricultural productivity index value. Valuing inundated, landlocked and statutorily prohibited use of land as non-crop land, or grazing based on a soil productive index or on a like sales formulation at a premium in order to enhance taxing valuations, violates the state’s uniform rules for agricultural soil equalization, creates an illegal and disproportionate tax burden.
- State law mandates that assessments must reflect reality. NDCC 57-23-04(1)(g) mandated the farmhouse damage of June 20, 2025 mandated an automatic tax abatement. A refund must be granted for the remaining portion of the year after the damage occurred. The County hasn’t granted that.

- The tax assessment assumes this pastureland is accessible for agricultural use and or fully useable. This is clearly not the case here.
- The State Highway easement prohibits its acreages for livestock grazing.
- The flowing Elm River and its drainage area essentially prevents grazes that livestock consume from growing, thus outlying areas are absent of native grasses, the actions of the Traill County Water Resource Board, dug illegal drainage ditches upon my property in 2018, which prohibits access to the far side of the property, rendering it landlocked, in addition the Rural electric cooperative destroyed livestock fences, removed electrical poles , failed to fill in the holes, and left overhead wires laying on the ground, creating a hazardous, unsafe and uncontrollable situation for livestock.
- Under North Dakota Fence laws, a pasture must be capable of enclosing livestock to hold agricultural value.

EXHIBITS WHAT THE PICTURES REFLECT AND WHEN TAKEN

EXHIBIT 1 -- NEW BUILDING 32X80 (UNFINISHED) TAKEN FEB. 5, 2025

EXHIBIT 2 -- MACHINE SHOP BEFORE TORNADO AUGUST 22, 2022

EXHIBIT 3 DESTROYED ROOF APP. 1/2 MILE FROM LOCATION OF BUILDING JUNE 21, 2025

AND THE SOUTH END FENCE THAT LOCAL COOPERATIVE DROVE DOWN PICTURE TAKEN AUG 3, 2026

EXHIBIT 4 DESTROYED ROOF RETRIEVED ON TRAILER (#1 building) JUNE 25, 2025

EXHIBIT 5 DESTROYED BUILDING FROM UPSTAIRS WINDOW (#1 exhibit) JUNE 21, 2025

EXHIBIT 6 DESTROYED MACHINE SHOP 40X60 (East end looking west) JUNE 21, 2025

AND TOTALLY DEMOLISHED BUILDING BETWEEN THE TWO VAN TRAILERS

EXHIBIT 7 TOTALLY DESTROYED LIVESTOCK BUILDING/UNDESTROYED SHED AND DESTROYED

- BUILDING #1 ANOTHER VIEW FROM SOUTH END JUNE 21, 2025

EXHIBIT 8 DESTROYED LIVESTOCK BUILDING (ROOF) STREWN ABOUT JUNE 21, 2025

EXHIBIT 9 DESTROYED TRAILER HOUSE (USED FOR CHICKENS & TOTAL LOSS OF BUILDING

BETWEEN THE TWO SEMI VAN TRAILERS JUNE 21, 2025

EXHIBIT 10 ELECTRICT CO. UNCONSENTED TRESPASS TO REPAIR AND TRESPASS DIGGING JULY 8, 2025

TO REMOVE LINE LINE REMOVAL JANUARY 14, 2026

EXHIBIT 11 HIGHWAY I8 ROAD DITCH MY PROPERTY AND DITCH DUG BY WATER BOARD AUG 3, 2026

EXHIBIT 12 MAJOR DITCH DUG BY WATER BOARD IN 2018

EXHIBIT 13 BOTH DITCHES DUG BY WATER BOARD W/TRACK HOE IN BACKGROUND 2018

EXHIBIT 14 HOUSE DESTRUCTION W/VIEW FROM DISTANT BUILDINGS IN BACKGROUND JUNE 21, 2025

EXHIBIT 15 KEEP OUT SIGN NEAR FIRST DITCH AND SURVEY MARKER W/TRACKHOE IN BACKGROUND

OF LOCATION OF SECOND DITCH DIGGING 2018

EXHIBIT 16 WATER IN RIVER PICTURES TAKEN (DOES NOT DRY UP) AUGUST 3, 2026

EXHIBIT 17 MORE LOCATIONS WATER PRESENT IN RIVER PICTURES TAKEN AUGUST 3, 2026

EXHIBIT 18 HUGH ROCK CROSSING ON RIVER AND WATER AT END OF RIVER ON MY PROPERTY AUG.3, 2026

EXHIBIT 19 FENCE RUN OVER BY ELECTRICAL COMPANY REMOVING LINE PICTURE TAKEN AUG 3, 2026

EXHIBIT 20 ELECTRICAL LINES LYING ON GROUND IN PASTURE/CLOSE UP DRIVEN OVER PERIMETER

FENCE BY ELECTRICAL CO. IN REMOVAL OF OVERHEAD LINE IN JANUARY PICTURE TAKEN AUG. 3, 2026

EXHIBIT 21 FLOODING OF RIVER DIFFERENT LOCATIONS ON MY PROPERTY DATE PICTURE UNKNOWN

EXHIBIT 22 PICTURES OF FLOOD PLANE-LACK OF GRASS-WEEDS NON LIVESTOCK GRAZING AUGUST 3, 2026

EXHIBIT 23 PICTURES OF FLOOD PLANE-LACK OF GRASS-WEEDS NON LIVESTOCK GRAZING AUGUST 3, 2026

EXHIBIT 24 MORE WASTE LAND FLOOD PLANE LACK OF GRASS TAKEN AUGUST 3, 2026

EXHIBIT 25 PHYSICAL LAYOUT OF MY PROPERTY-BASICALLY RIVER FLOOD PLANE W/BUILDING PURCHASED 2001

EXHIBIT 26 FEDERAL CIVIL RIGHTS ACTION FILED OVER WATER BOARD ILLEGAL DITCHES FILED AUGUST 26, 2025

EXHIBIT 1



EXHIBIT 2





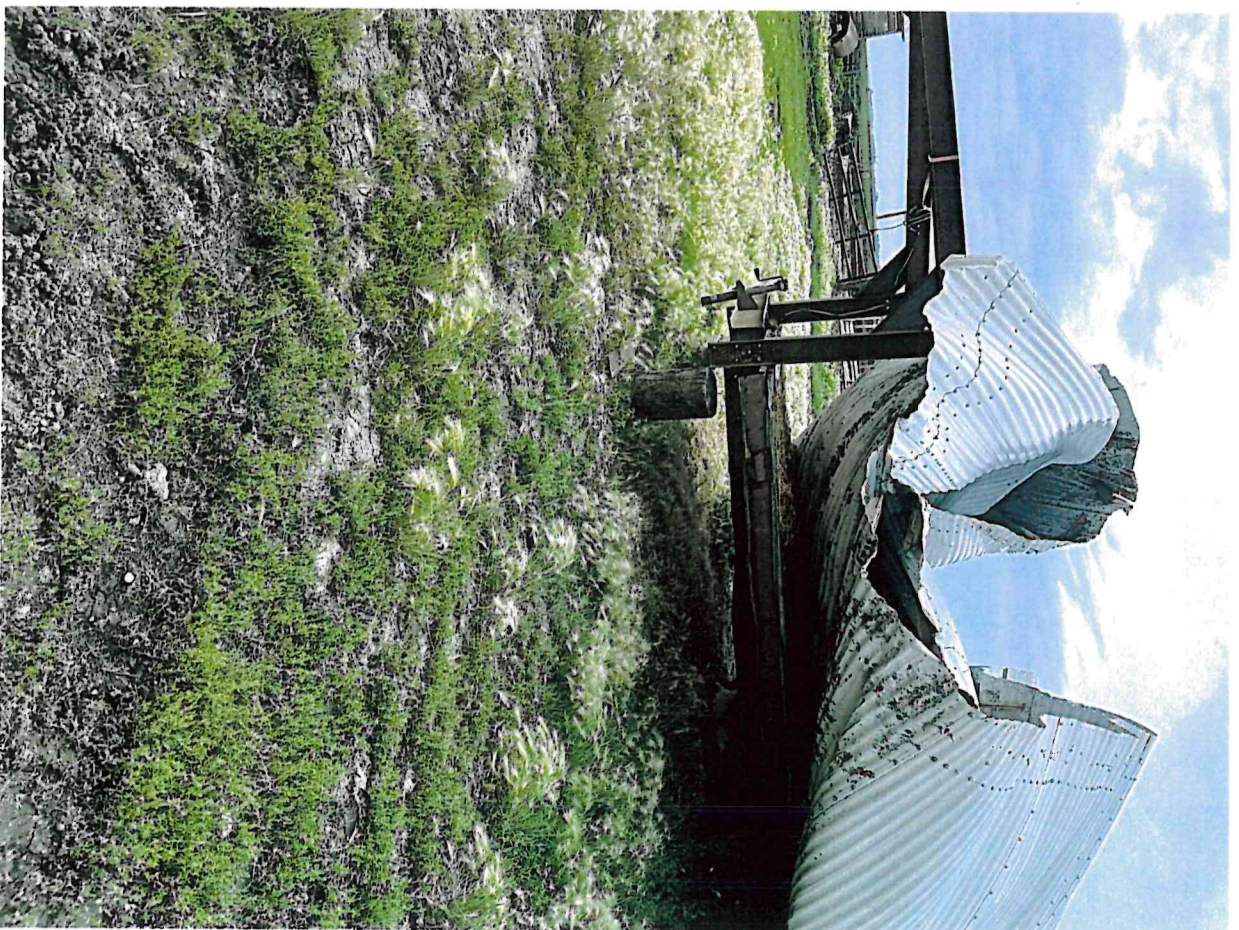


EXHIBIT 4

EXHIBIT 5

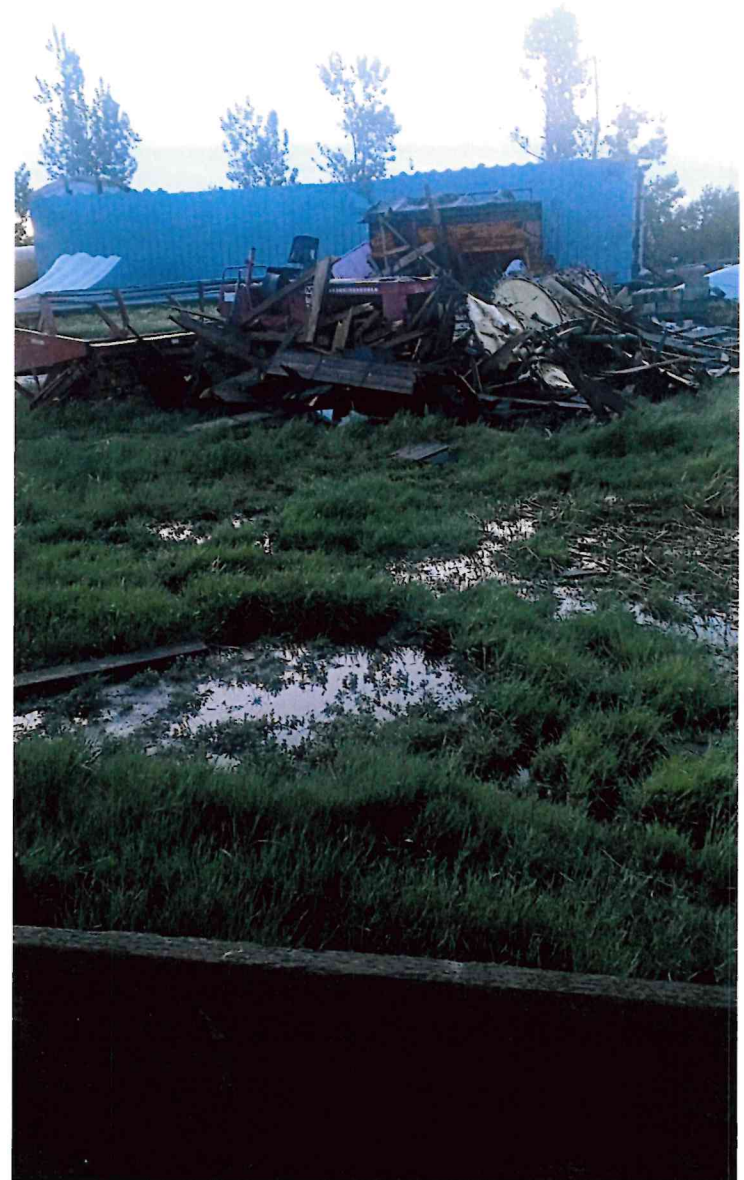


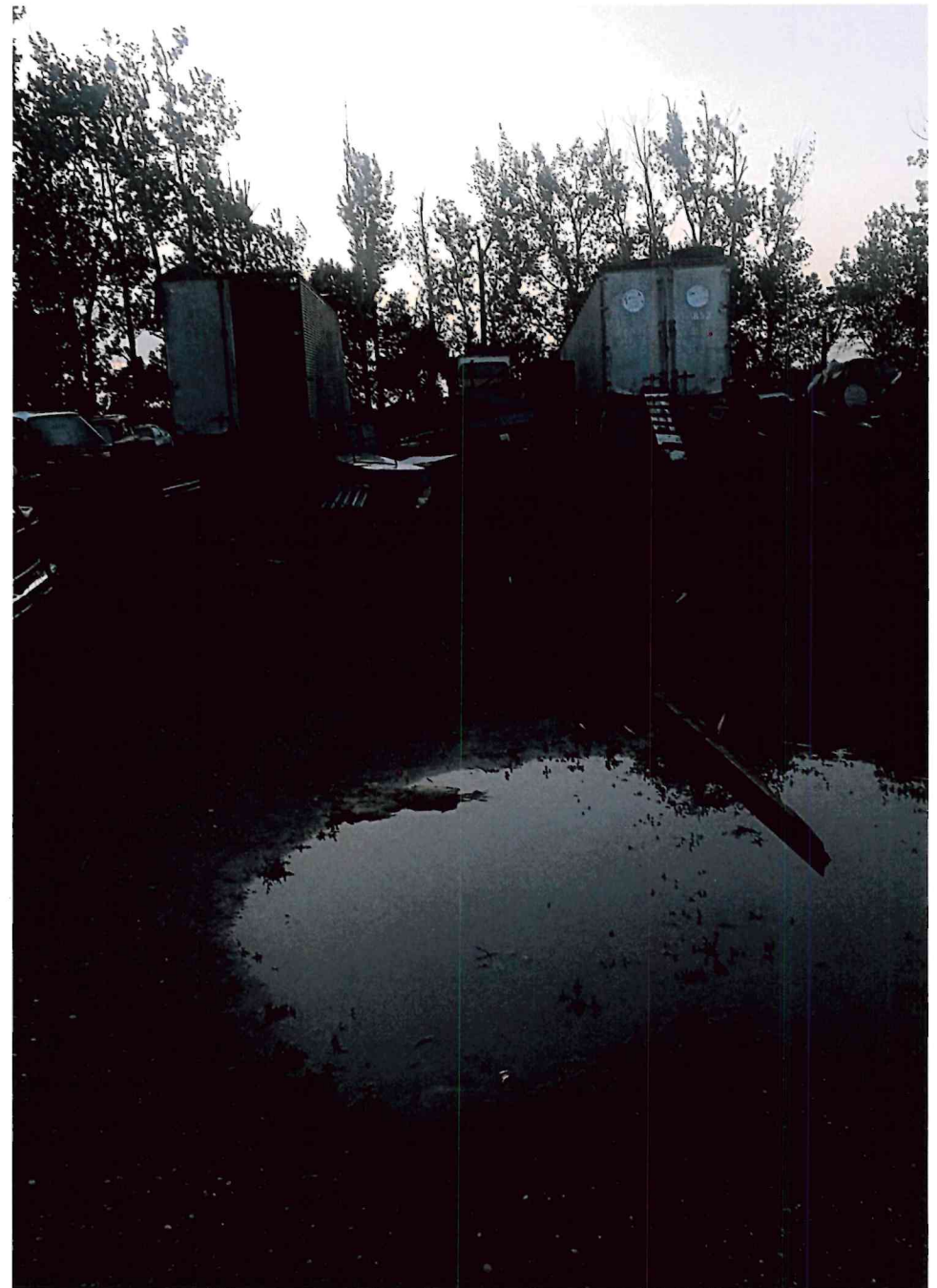




EXHIBIT 8



EXHIBIT 9

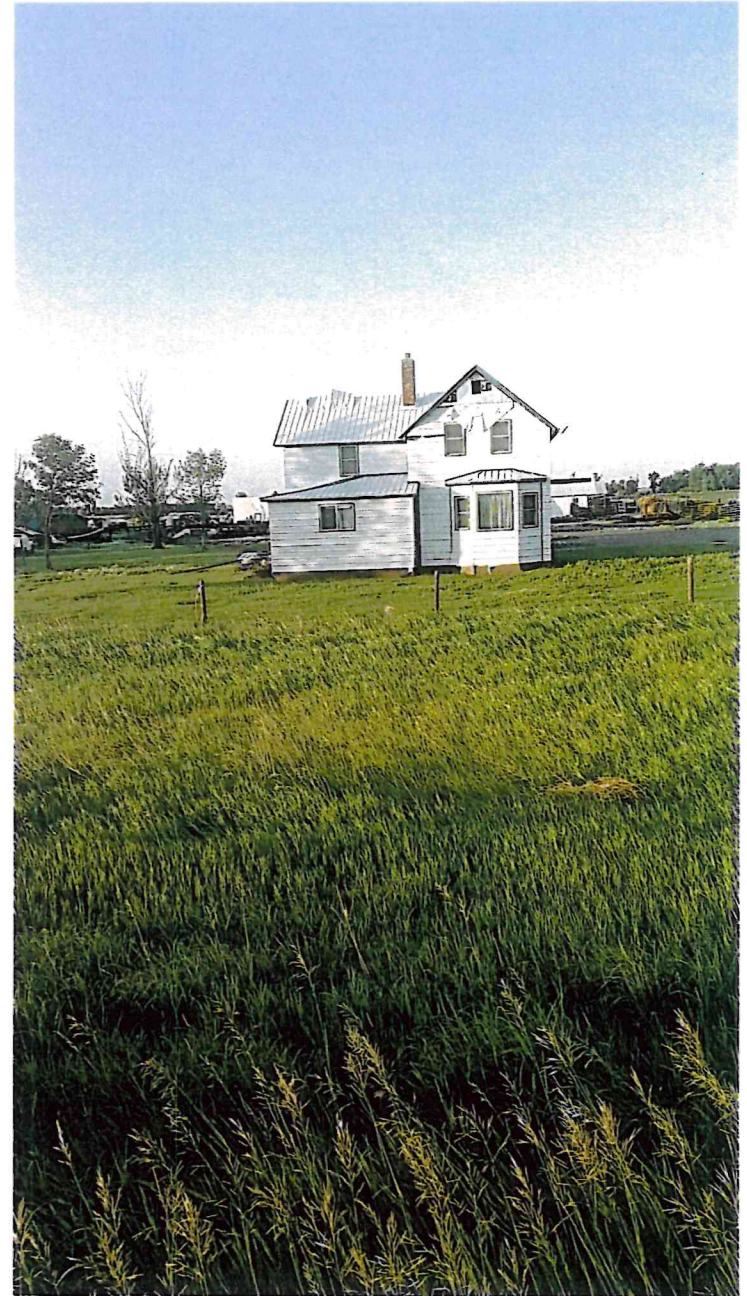




















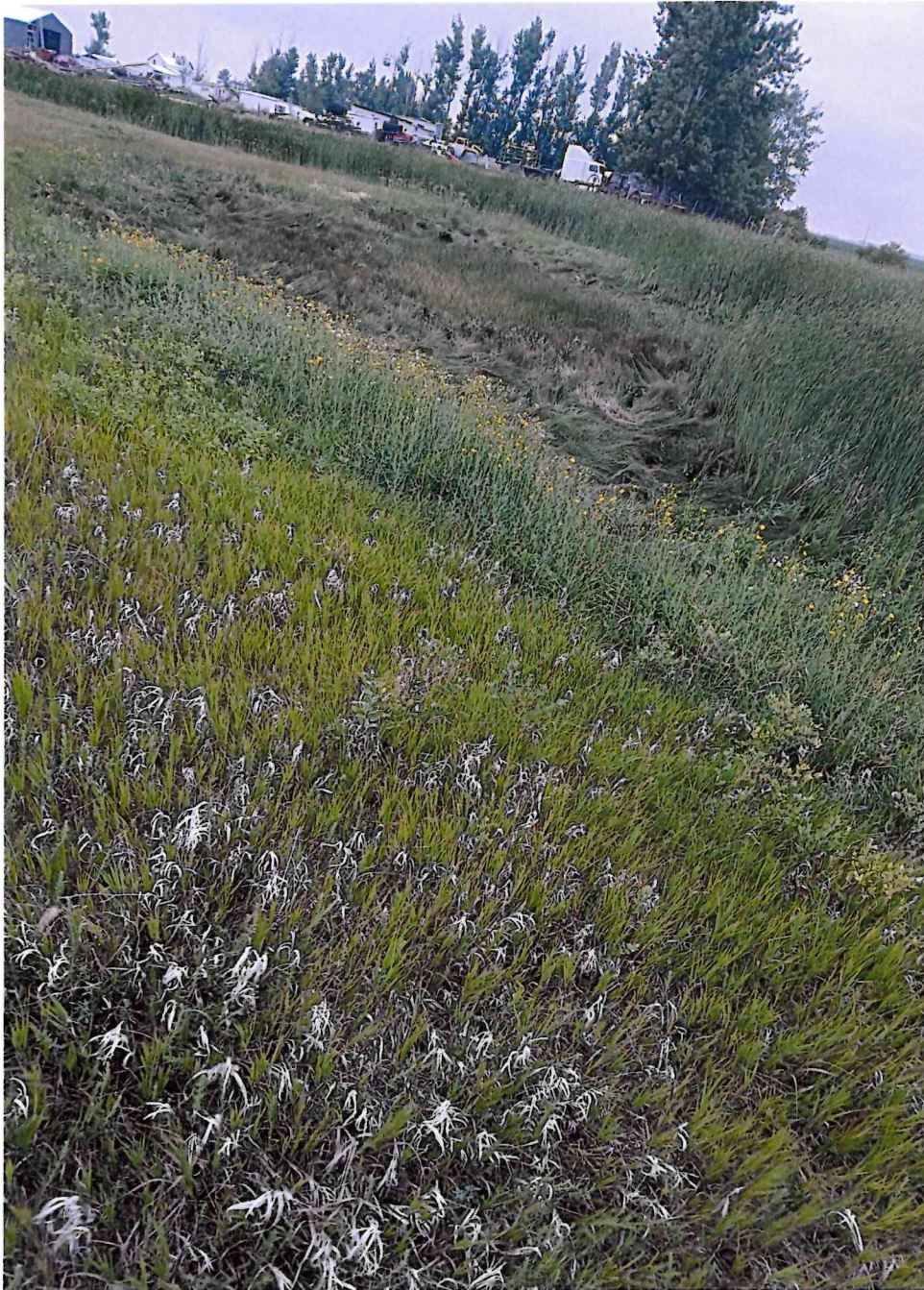




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Section	to	Township	4th	Range	02	1/16/07
City of	Lot	Block	Addition			
WORTHINGTON	100	100	100	100	100	100

Township and North Range of Victoria

1997

1990

1990

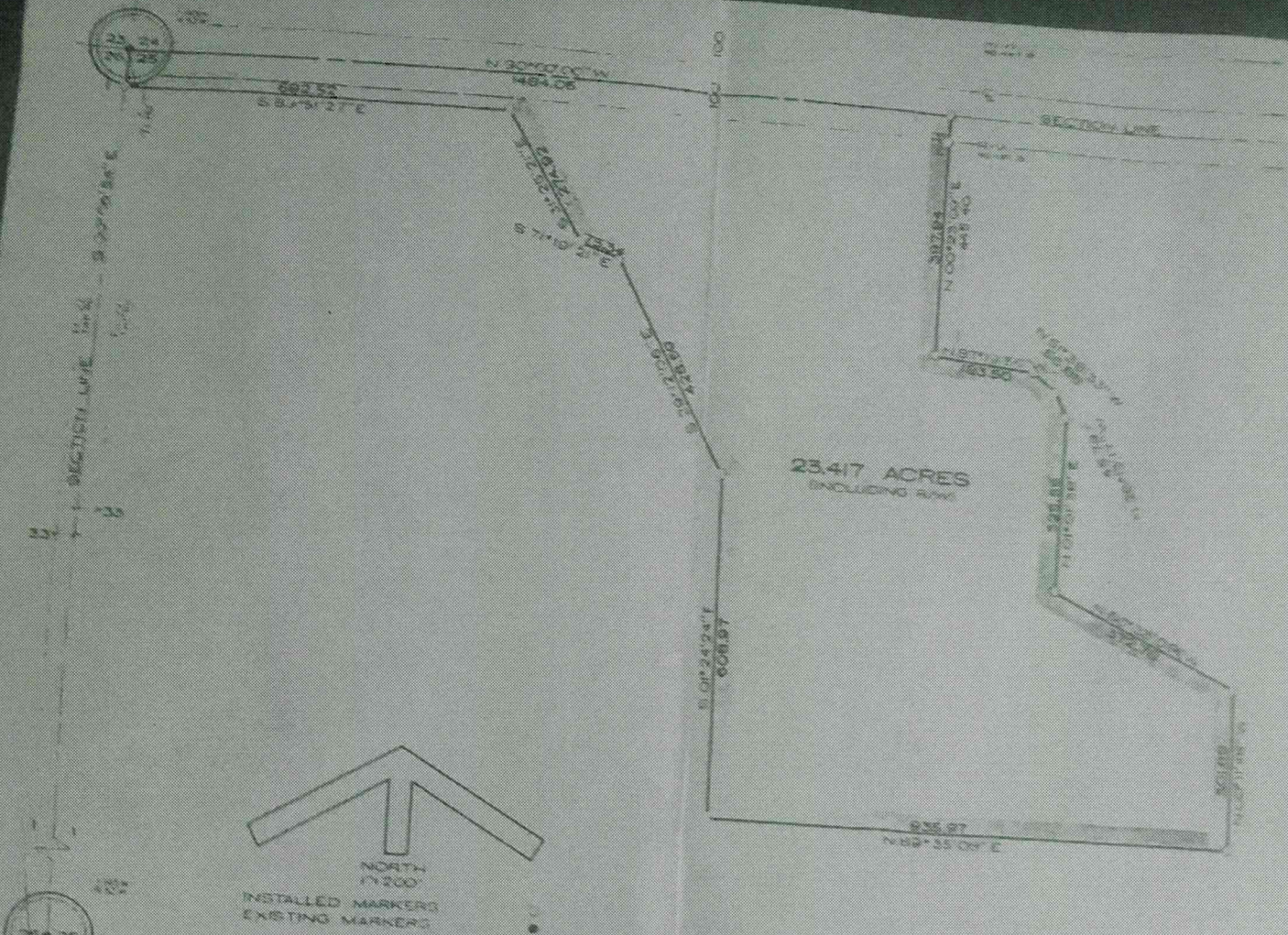


EXHIBIT 25



