

Fifty-ninth
Legislative Assembly
of North Dakota

Introduced by

Legislative Council

(Advisory Commission on Intergovernmental Relations)

1 A BILL for an Act to create and enact section 57-20-01.2 of the North Dakota Century Code,
2 relating to waiver of penalties and interest on delinquent property taxes; to amend and reenact
3 sections 15-08-19, 57-20-26, and 57-28-01 of the North Dakota Century Code, relating to the
4 period of property tax delinquency before foreclosure of a tax lien; to provide an effective date;
5 and to provide an expiration date.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Section 15-08-19 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-08-19. Taxation of and foreclosure of tax lien on property sold by state on**
10 **deferred payment contract.** Property contracted to be sold by the state is subject to taxation
11 from the date of the contract, and the taxes assessed thereon must be collected and enforced
12 in the same manner as taxes against other property. If the contract is not canceled or if the
13 contract has been canceled and the period of redemption has not yet run, the property upon
14 which taxes are delinquent is subject to foreclosure of tax lien. After ~~four~~ two years from the
15 date the tax became due, and after notice of foreclosure has been given as required in title 57,
16 on the date of foreclosure, the county shall acquire such rights and interests as belonged to the
17 holder and owner of the contract issued under the provisions of this chapter and only such
18 rights. The county may assign its rights and interest at any time, and the assignee shall have
19 the rights given by this section to the county. No tax deed may be issued upon any tax sale
20 certificate while the legal title to the lands remains in the state of North Dakota.

21 **SECTION 2.** Section 57-20-01.2 of the North Dakota Century Code is created and
22 enacted as follows:

23 **57-20-01.2. (Effective through October 1, 2009) Penalty and interest waiver.** The
24 board of county commissioners may establish a policy to waive all or part of penalties and

1 interest on delinquent real estate taxes if the board of county commissioners believes the
2 reduced period for foreclosure of tax liens under this Act creates a hardship for taxpayers. The
3 board shall apply the policy uniformly to all taxpayers.

4 **SECTION 3. AMENDMENT.** Section 57-20-26 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-20-26. Treasurer to give notice of tax lien by mail.** Between the first and fifteenth
7 of November of each year, the county treasurer shall mail to each owner of any lot or tract of
8 land for which taxes are delinquent a notice giving the legal description of that lot or tract and
9 stating that the taxes are delinquent and constitute a lien against the property. The notice must
10 advise the owner that unless the delinquent taxes and special assessments with penalty, simple
11 interest at the rate of twelve percent per annum from and after January first following the year in
12 which the taxes become due and payable, and costs established under subsection 5 of section
13 57-28-04 are paid by October first of the ~~fourth~~ second year following the year in which the
14 taxes became delinquent, the county auditor will foreclose on the tax lien and issue a tax deed
15 to the county.

16 **SECTION 4. AMENDMENT.** Section 57-28-01 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **57-28-01. Notice of foreclosure of tax lien to be given.** On or before June first in
19 each year, the county auditor shall give notice of foreclosure of tax lien for all property for which
20 ~~four~~ two or more years have passed since the tax became due.

21 **SECTION 5. EFFECTIVE DATE - EXPIRATION DATE.** Sections 1, 3, and 4 of this Act
22 are effective for taxable years beginning after December 31, 2004. Property tax proceedings
23 relating to property taxes due or delinquent for any taxable year prior to 2005 are subject to
24 provisions of law that were in effect on December 31, 2004. Section 2 of this Act is effective
25 through October 1, 2009, and is thereafter ineffective.