

Sixty-first  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1388

Introduced by

Representatives Koppelman, Brandenburg, Nathe

Senators Miller, O'Connell, Oehlke

1 A BILL for an Act to create and enact a new section to chapter 57-02 of the North Dakota  
2 Century Code, relating to reassessment of property that has been sold for less than its true and  
3 full value as most recently assessed; and to provide an effective date.

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

5 **SECTION 1.** A new section to chapter 57-02 of the North Dakota Century Code is  
6 created and enacted as follows:

7 **Reassessment based on sales price.** Property that has been sold in an arm's-length  
8 transaction for a price less than the true and full value of that property as determined in its most  
9 recent preceding assessment must be reassessed by the first assessment date following the  
10 sale at a true and full valuation not exceeding the sales price. This section does not apply to  
11 property that has changed property classifications or property that has been divided or  
12 partitioned since its previous assessment. For purposes of this section, the sales price of the  
13 property must be reduced by the amount of any special assessments, mortgage points, or other  
14 costs traditionally borne by the purchaser which were paid by the seller as part of the  
15 transaction. The purchaser of the property is responsible for providing the assessor with the  
16 documentation necessary to determine the sales price of the property for purposes of this  
17 section.

18 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
19 December 31, 2008.