

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Thorpe

1 A BILL for an Act to amend and reenact section 11-18-02.2 of the North Dakota Century Code,
2 relating to statements of full consideration for property sales which must be filed with the state
3 board of equalization or the recorder.

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

5 **SECTION 1. AMENDMENT.** Section 11-18-02.2 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **11-18-02.2. Statements of full consideration to be filed with state board of**
8 **equalization or recorder - Procedure - Secrecy of information - Penalty.**

- 9 1. Any grantee or grantee's authorized agent who presents a deed in the office of the
10 county recorder shall certify on the face of the deed any one of the following:
- 11 a. A statement that the grantee has filed a report of the full consideration paid for
12 the property conveyed with the state board of equalization.
- 13 b. A statement that the grantee has filed a report of the full consideration paid for
14 the property conveyed with the recorder.
- 15 c. A statement of the full consideration paid for the property conveyed.
- 16 d. A statement designating one of the exemptions in subsection 6 which the
17 grantee believes applies to the transaction.
- 18 2. The recorder shall not record any deed unless it contains one of the statements
19 required by subsection 1.
- 20 3. The recorder shall accumulate and at least monthly forward to the state board of
21 equalization a report containing the information filed in the recorder's office
22 pursuant to subsection 1.
- 23 4. The state board of equalization shall prescribe the necessary forms for the
24 statements and reports to be used in carrying out the purposes of this section, and

the forms will contain a space for the explanation of special circumstances which may have contributed to the amount of the consideration.

5. For purposes of this section, ~~the word "deed"~~:

a. "Deed" means an instrument or writing whereby any real property or interest therein shall be granted, conveyed, or otherwise transferred to the grantee, purchaser, or other person, except any instrument or writing which transfers any ownership in minerals or interests in minerals underlying land if that ownership has been severed from the ownership of the overlying land surface or any instrument or writing for the easement, lease, or rental of real property or any interest therein.

b. "Full consideration" means the total amount in money or money's worth paid by the purchaser for the property minus any commission or other remuneration paid to a real estate broker or salesperson for services provided in connection with the sale.

6. The provisions of this section do not apply to deeds transferring title to the following types of property, or to deeds relating to the following transactions:

- a. Property owned or used by public utilities.
- b. Property classified as personal property.
- c. A sale when the grantor and the grantee are of the same family or corporate affiliate, if known.
- d. A sale which resulted as a settlement of an estate.
- e. All sales to or from a government or governmental agency.
- f. All forced sales, mortgage foreclosures, and tax sales.
- g. All sales to or from religious, charitable, or nonprofit organizations.
- h. All sales when there is an indicated change of use by the new owners.
- i. All transfer of ownership of property for which is given a quitclaim deed.
- j. Sales of property not assessable by law.
- k. Agricultural lands of less than eighty acres [32.37 hectares].
- l. A transfer that is pursuant to a judgment.

7. The state board of equalization shall guard the secrecy of information contained on statements filed with the board pursuant to subsection 1, and any information

- 1 contained on statements and any information provided by local officials shall be
2 limited to such data as is necessary to perform their official duties and shall not
3 include the names of any grantors or grantees. Any reports made available to the
4 public must be made in a manner that will not reveal the names of any grantors or
5 grantees. The recorder shall guard the secrecy of information contained on reports
6 filed in the recorder's office pursuant to subdivision b of subsection 1.
- 7 8. Any person who, in the statements provided for in subsection 1, willfully falsifies
8 the consideration paid for the transferred real property or interest therein or who
9 falsely certifies that the person has filed a report of full consideration with the state
10 board of equalization is guilty of a class B misdemeanor.