Sixty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1199

Introduced by

Representatives K. Koppelman, Ista, Jones, B. Koppelman, Paur, Satrom, Steiner

Senators Clemens, Luick, Wobbema

A BILL for an Act to amend and reenact section 57-28-20 of the North Dakota Century Code, relating to the disposition of proceeds from tax lien foreclosures.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 57-28-20 of the North Dakota Century Code is amended and reenacted as follows:

57-28-20. Disposition of proceeds of sales.

All proceeds from the public or private sale of property under this chapter must be apportioned as regular tax payments are apportioned among and within taxing districts in which the property is located, as follows:

1. The county treasurer shall issue a regular tax receipt in the name of the county, beginning with the earliest year for which the taxes are delinquent. Tax receipts must be written for the original amount of the tax, without penalty and interest. If the property was sold for an amount sufficient to cover all outstanding taxes ~~and~~, special assessments, penalties, and costs associated with selling the property, tax receipts must be written for all such years, and any remaining amount must be credited to the ~~general fund of the county~~owner of the record title of the real estate listed in the notice of foreclosure of tax lien, or to the decedent's estate if the owner of the record title of the real estate is deceased, unless another claimant receives a court order requiring the funds be deposited with a court that will determine whether any of the proceeds should be paid to a lienholder or other party.
2. If the property is sold under a contract, the county treasurer shall issue tax receipts, beginning with the earliest year for which taxes or special assessments are delinquent, without penalty and interest, and all subsequent payments made on the contract must be applied to the earliest remaining unpaid taxes or special assessments. Any

payment under the contract after all taxes ~~and~~, special assessments, penalties, interest, and costs associated with selling the property are paid must be credited to the ~~county general fund~~owner of the record title of the real estate listed in the notice of foreclosure of tax lien, or to the decedent's estate if the owner of the record title of the real estate is deceased, unless another claimant receives a court order requiring the funds be deposited with a court that will determine whether any of the proceeds should be paid to a lienholder or other party.

3. If the property is sold for less than the total amount of the taxes due, the treasurer shall write tax receipts beginning with the earliest year and for as many subsequent years as the proceeds realized from the sale will satisfy, and the remainder of any unpaid general taxes or special assessments must be canceled by the board of county commissioners.

4. A city or county that acquires a tax deed to property shall make reasonable efforts to sell the property for the amount necessary to satisfy the outstanding taxes, penalties, and interest owed on the property and shall distribute any remaining sale proceeds in the manner provided in this chapter.