

HOUSE BILL NO. 1256
with Senate AmendmentsFifty-fifth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1256

Introduced by

Representative Wardner

Senator Urlacher

1 A BILL for an Act to amend and reenact section 57-51-11 of the North Dakota Century Code,
2 relating to oil and gas gross production and oil extraction tax, liens, penalty, and interest.

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

4 **SECTION 1. AMENDMENT.** Section 57-51-11 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-51-11. Lien for tax - Preservation of lien - Satisfaction of lien.**

- 7 1. The tax ~~herein referred to~~, penalty, and interest provided for in this chapter is, at all
8 times, ~~and constitutes~~ a first and paramount lien against the purchaser's or
9 producer's property as the case may be, both real and personal; ~~and the~~. The
10 provisions ~~hereof~~, of this chapter making the purchaser liable to pay ~~such~~ the tax;
11 and ~~the provisions~~ requiring the producer to pay the royalty owner's tax, in no way
12 ~~releases~~ do not release the producer or purchaser from ~~that~~ liability to pay same,
13 ~~in all cases where such~~. If the tax, penalty, and interest is not paid, and it may be
14 recovered at the suit of the state, upon relation to the commissioner, in any court of
15 competent jurisdiction of the county where any such property, assets, and effects
16 are located.
- 17 2. Any judgment creditor, or lien claimant acquiring any interest in, or lien on, any
18 property situated in this state, prior to the commissioner filing in the central notice
19 system maintained by the secretary of state, a notice of the lien provided for in this
20 section, takes free of, or has priority over, the lien. The commissioner shall index
21 in the central notice system the following data:
- 22 a. The name of the taxpayer.
23 b. The tax identification number or social security number of the taxpayer.
24 c. The name "State of North Dakota" as claimant.

- 1 d. The date and time the notice of lien was indexed.
- 2 e. The amount of the lien.
- 3 The notice of lien is effective as of eight a.m. of the first day following the indexing
4 of the notice. A notice of lien filed by the commissioner with a register of deeds
5 before the effective date of this Act, may be indexed in the central notice system
6 without changing its original priority as to property in the county where the lien was
7 filed.
- 8 3. Upon the payment of tax, penalty, and interest, if applicable, or a penalty assessed
9 under section 57-51-06, as to which the commissioner has indexed a notice in the
10 central notice system, the commissioner shall index a satisfaction of the lien in the
11 central notice system.
- 12 4. The commissioner is exempt from the payment of the fees otherwise provided for
13 by law for the indexing of the lien or satisfaction.