

**Fifty-fifth Legislative Assembly, State of North Dakota, begun in the
Capitol in the City of Bismarck, on Monday, the sixth day of January,
one thousand nine hundred and ninety-seven**

HOUSE BILL NO. 1256
(Representative Wardner)
(Senator Urlacher)

AN ACT to amend and reenact section 57-51-11 of the North Dakota Century Code, relating to oil and gas gross production and oil extraction tax, liens, penalty, and interest.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

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

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

The notice of lien is effective as of eight a.m. of the first day following the indexing of the notice. A notice of lien filed by the commissioner with a register of deeds before the effective date of this Act, may be indexed in the central notice system without changing its original priority as to property in the county where the lien was filed.

3. Upon the payment of tax, penalty, and interest, if applicable, or a penalty assessed under section 57-51-06, as to which the commissioner has indexed a notice in the central notice system, the commissioner shall index a satisfaction of the lien in the central notice system.
4. The commissioner is exempt from the payment of the fees otherwise provided for by law for the indexing of the lien or satisfaction.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-fifth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1256.

House Vote: Yeas 95 Nays 0 Absent 2

Senate Vote: Yeas 47 Nays 2 Absent 0

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 1997.

Approved at _____ M. on _____, 1997.

Governor

Filed in this office this _____ day of _____, 1997,
at _____ o'clock _____ M.

Secretary of State