

HOUSE BILL NO. 1367

Introduced by

Representatives Kingsbury, Schmidt

1 A BILL for an Act to amend and reenact sections 57-20-01 and 57-20-26 of the North Dakota
2 Century Code, relating to the rate of interest on delinquent property taxes; and to provide an
3 effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-20-01 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-20-01. Real and personal property taxes - When due and delinquent -**

8 **Penalties.** All real and personal property taxes and yearly installments of special assessment
9 taxes become due on the first day of January following the year for which the taxes were levied.
10 The first installment of real estate taxes, all personal property taxes, and yearly installments of
11 special taxes become delinquent after the first day of March following and, if not paid on or
12 before said date, are subject to a penalty of ~~three~~ two percent, and on May first following an
13 additional penalty of ~~three~~ two percent, and on July first following an additional ~~three~~ two
14 percent, and an additional penalty of ~~three~~ two percent on October fifteenth following. From
15 and after January first of the year following the year in which the taxes become due and
16 payable, simple interest at the rate of ~~twelve~~ eight percent per annum upon the principal of the
17 unpaid taxes on personal property must be charged until the taxes and penalties are paid, with
18 the interest charges to be prorated to the nearest full month for a fractional year of delinquency.
19 The second installment of real estate taxes becomes delinquent after October fifteenth, and, if
20 not paid on or before that date becomes subject to a penalty of ~~six~~ four percent.

21 **SECTION 2. AMENDMENT.** Section 57-20-26 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-20-26. Treasurer to give notice of tax lien by mail.** Between the first and fifteenth
24 of November of each year, the county treasurer shall mail to each owner of any lot or tract of

1 land for which taxes are delinquent a notice giving the legal description of that lot or tract and
2 stating that the taxes are delinquent and constitute a lien against the property. The notice must
3 advise the owner that unless the delinquent taxes and special assessments with penalty,
4 ~~simple interest at the rate of twelve percent per annum from and after January first following the~~
5 ~~year in which the taxes become due and payable~~, and costs established under subsection 5 of
6 section 57-28-04 are paid by October first of the fourth year following the year in which the
7 taxes became delinquent, the county auditor will foreclose on the tax lien and issue a tax deed
8 to the county.

9 **SECTION 3. EFFECTIVE DATE.** This Act is effective for interest accruing after
10 June 30, 2003.