Sixty-seventh Legislative Assembly of North Dakota

HOUSE BILL NO. 1291

Introduced by

Representatives K. Koppelman, Bellew, Devlin, Karls, Meier, Owens Senators Dever, Heitkamp, Vedaa

- 1 A BILL for an Act to create and enact a new section to chapter 57-02 of the North Dakota
- 2 Century Code, relating to reassessment of property sold for less than its most recently

3 assessed true and full value; and to provide an effective date.

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

5 SECTION 1. A new section to chapter 57-02 of the North Dakota Century Code is created
6 and enacted as follows:

7 Reassessment based on sales price.

8 Property sold in an arm's-length transaction for a price less than the true and full value of

- 9 that property as determined in its most recent preceding assessment must be reassessed by
- 10 the first assessment date following the sale at a true and full valuation not exceeding the sales
- 11 price. This section does not apply to property that has changed property classifications or
- 12 property that has been divided or partitioned since its previous assessment. For purposes of
- 13 this section, the sales price of the property must be reduced by the amount of any special
- 14 assessments, mortgage points, or other costs traditionally borne by the purchaser which were
- 15 paid by the seller as part of the transaction. The purchaser of the property is responsible for
- 16 providing the assessor with the documentation necessary to determine the sales price of the
- 17 property for purposes of this section.
- 18 SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after
- 19 December 31, 2020.