

**HOUSE BILL NO. 1294
with Senate Amendments**

Fifty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1294

Introduced by

Representatives Clark, Carlson

Senator Wardner

1 A BILL for an Act to create and enact a new section to chapter 57-55 of the North Dakota
2 Century Code, relating to documentation of taxes paid for transfer of title to a mobile home; and
3 to amend and reenact sections 39-18-03 and 39-22-12 of the North Dakota Century Code,
4 relating to documentation of taxes paid for transfer of title to a mobile home and an exemption
5 from the motor vehicle dealer licensing law for house car dealers, manufacturers, and
6 distributors.

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

8 **SECTION 1. AMENDMENT.** Section 39-18-03 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **39-18-03. Titling and licensing of mobile homes, housetrailers, and travel trailers**
11 **- License fee.** The owner of a travel trailer, housetrailer, or mobile home, who sells or
12 transfers the title to such vehicle shall endorse an assignment and warranty of title upon the
13 certificate of title for such vehicle, along with a statement as to whether there are liens or
14 encumbrances thereon. The owner shall deliver the certificate of title to the purchaser within
15 fifteen days after such sale if title passes to the purchaser. If the legal title does not pass to the
16 purchaser under the contract for sale of the vehicle, the legal title owner shall endorse thereon
17 a statement that the owner holds the lien, the date thereof, and the name of the purchaser, and
18 shall send the certificate of title to the department with an application of the purchaser for a new
19 certificate of title showing the name of the legal owner, the registered owner, the date of the lien
20 of the legal owner, which certificate of title when issued must be returned by the department to
21 the legal title owner; who shall retain the same in the owner's possession until the terms of the
22 contract are complied with by the purchaser, and thereupon, after showing that the lien has
23 been paid and satisfied the owner shall deliver the certificate of title properly assigned to the
24 purchaser. The purchaser or transferee shall present the endorsed and assigned certificate to

the department, within thirty days after the receipt thereof, accompanied by a transfer fee of five dollars, and shall make an application for and obtain a new certificate of title for such vehicle. The application for transfer of title must include documentation as required in section 3 of this Act or a new certificate of title may not be issued. A penalty of not more than ten dollars may be imposed by the director for failure to present the certificate of title to the department as required by this section. Except when transported by a drive-away transporter duly registered and licensed under the laws of this state, no person may haul a mobile home, housetrailer, or travel trailer unless the same is first registered with and titled by the department, a certificate of title has been issued, and it displays a number plate issued by and under such regulations as the director may prescribe. The annual fee for such licensing is twenty dollars for mobile homes and housetrailer and twenty dollars for travel trailers.

The registration required hereunder must be on a calendar-year basis.

If such mobile home, housetrailer, or travel trailer enters the state carrying the current number plate of another state, no number plates may be required by the state of North Dakota for a period of thirty days.

The annual license fee provided for in this section does not preclude the taxation of certain mobile homes pursuant to chapter 57-55.

If such mobile home, housetrailer, or travel trailer remains stationary or parked within the state of North Dakota for a period of one year, no license may be required for that year, provided that nothing in this chapter permits the use of a dealer's plate on such mobile home, housetrailer, or travel trailer after the same has been sold by the dealer to whom such plate was issued.

SECTION 2. AMENDMENT. Section 39-22-12 of the North Dakota Century Code is amended and reenacted as follows:

39-22-12. Officers to administer chapter - House car dealer, manufacturer, and distributor exemption. The director and any duly authorized representative shall be responsible for the administration of ~~the provisions of this chapter.~~ This chapter does not apply to house car dealers, manufacturers, and distributors.

SECTION 3. A new section to chapter 57-55 of the North Dakota Century Code is created and enacted as follows:

1 **Documentation of taxes paid for purposes of transfer of title - Limitation on tax**
2 **liability of bona fide purchaser.** Before the title to a mobile home is sent to the motor vehicle
3 department for transfer, the county director of tax equalization shall verify on the title that all
4 delinquent and current taxes due on the mobile home being transferred have been paid. This
5 section applies to all mobile homes except mobile homes entering and being registered in this
6 state for the first time and all mobile homes sold by a licensed mobile home dealer, provided
7 that for a used mobile home sale the dealer signs a statement that the used mobile home was
8 on the dealer's sales lot at the time of sale. A bona fide purchaser of a mobile home for which
9 verification of tax payment is required by this section is not liable for more than one taxable
10 year of unpaid delinquent or current taxes for which the obligation accrued against a previous
11 owner of the mobile home.