

**Sixtieth Legislative Assembly of North Dakota
In Regular Session Commencing Wednesday, January 3, 2007**

HOUSE BILL NO. 1186
(Representatives Aarsvold, Wall)
(Senators Heitkamp, Lindaas, Tallackson, Urlacher)

AN ACT to amend and reenact sections 57-20-20, 57-20-21, and 57-23-06 of the North Dakota Century Code, relating to property taxes paid under protest and hearings on applications for abatement; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

57-20-20. Payment of tax under protest - Determination of uncontested amount. Any person against whom any tax is levied, or who may be required to pay the same, may pay such tax under protest to the county treasurer, by giving notice in writing to such treasurer at the time of payment, specifying the reasons for such protest, and thereafter, within sixty days, that person may apply in writing to the board of county commissioners for an abatement, adjustment, or refund of taxes thus paid, or any portion thereof, and if such application is rejected, in whole or in part, or if the board fails to act upon the person's application within sixty days, it shall notify the applicant of the disposition of the person's application and of the person's right to appeal as provided by law. The application to the board of county commissioners must show the post-office address of the taxpayer and notice to such address by registered or certified mail is sufficient service of the notice of rejection or approval of the taxpayer's application.

The uncontested amount of taxes paid under protest is the amount of taxes that would be payable if the application for abatement, adjustment, or refund is approved by the board of county commissioners as submitted.

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

57-20-21. Segregation of contested amount of taxes paid under protest. Whenever taxes have been paid under protest, the county treasurer shall deduct the uncontested amount of the taxes paid under protest as determined under section 57-20-20 and keep the contested amount of the money thus paid and collected in a separate fund known as "taxes paid under protest fund" ~~and such moneys.~~ The uncontested amount of taxes paid under protest may be allocated immediately as provided by law. The amount deposited in the taxes paid under protest fund may not be paid or disbursed to the state, to any fund of the county, nor to any local taxing district, until the period prescribed in section 57-20-20 has expired, and in case an action is commenced, the county treasurer shall retain the contested amount in such fund, until such action is finally determined, ~~that part or portion of the tax paid under protest which the plaintiff in the complaint contends is invalid or illegal.~~

SECTION 3. AMENDMENT. Section 57-23-06 of the North Dakota Century Code is amended and reenacted as follows:

57-23-06. Hearing on application.

1. Within ten days after receiving an application for abatement, the city auditor or the township clerk shall give the applicant a notice of a hearing to be held before the governing body of the city or township, or such other committee as it may designate, in which the assessed property is located. Said hearing must be set for no more than sixty days after the date of the notice of hearing, and in any event, must be held before the

recommendations provided for in subsection 2 are made. The applicant may waive, in writing, the hearing before such governing body or designated committee at any time before the hearing. Any recommendations provided for in subsection 2 must be transmitted to the county auditor no more than thirty days after the date set for the hearing. The provisions of this subsection do not apply to applications for abatement pursuant to section 57-02-08.2.

2. At the next regular meeting of the board of county commissioners following the filing of an application for abatement or, if forthcoming, at the next regular meeting of the board of county commissioners following transmittal of the recommendations of the governing body of the municipality, the applicant may appear, in person or by a representative or attorney, and may present such evidence as may bear on the application. The applicant shall furnish any additional information or evidence requested by the board of county commissioners. The recommendations of the governing body of the municipality in which such assessed property is located must be endorsed upon or attached to every application for an abatement or refund, and the board of county commissioners shall give consideration to such recommendations. The board of county commissioners, by a majority vote, either shall approve or reject the application, in whole or in part. If rejected, in whole or in part, a written explanation of the rationale for the decision, signed by the chairman of the board, must be attached to the application, and a copy thereof must be mailed by the county auditor to the applicant at the post-office address specified in the application.
3. At a hearing before the board of county commissioners on an application for abatement, the applicant or the applicant's representative or attorney is limited to the relief claimed in the application for abatement submitted to the board of county commissioners. The applicant or applicant's representative or attorney may not submit evidence during a hearing on an application for abatement suggesting a lower valuation, a lower tax levy, or a different taxable status than was requested in the application for abatement submitted to the board of county commissioners.

SECTION 4. EFFECTIVE DATE. This Act is effective for property taxes paid under protest after July 31, 2007.

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 Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1186.

House Vote: Yeas 50 Nays 39 Absent 5

Senate Vote: Yeas 45 Nays 1 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2007.

Approved at _____ M. on _____, 2007.

Governor

Filed in this office this _____ day of _____, 2007,

at _____ o'clock _____ M.

Secretary of State