

Sixty-ninth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1586**

Introduced by

Representatives VanWinkle, Heilman, Morton, Brandenburg, Christianson, Dockter,  
Henderson, Toman, Hendrix, Hoverson

Senators Magrum, Paulson

1 A BILL for an Act to create and enact a new section to chapter 32-31, a new section to chapter  
2 57-20, and a new section to chapter 57-28 of the North Dakota Century Code, relating to  
3 eliminating foreclosure of tax liens for residential property and collection of delinquent real  
4 property and special assessment taxes; to amend and reenact sections 40-25-03, 57-02-08.9,  
5 57-02-08.10, 57-20-26, and 57-22-22, subsection 1 of section 57-38.3-02, sections 57-45-12,  
6 61-01-21, 61-09-15, 61-16.1-31, 61-24.8-40, and 61-35-87, relating to the primary residence  
7 credit, setoff of income tax refunds for payment of delinquent real property and special  
8 assessment taxes, and eliminating foreclosure of tax liens for primary residential property; to  
9 provide an effective date; to provide an expiration date; and to declare an emergency.

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

11 **SECTION 1.** A new section to chapter 32-31 of the North Dakota Century Code is created  
12 and enacted as follows:

13 Notwithstanding any other provision in this chapter, this chapter does not apply to a primary  
14 residence as defined in section 57-02-08.9.

15 **SECTION 2. AMENDMENT.** Section 40-25-03 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **40-25-03. Foreclosure of property if only special assessment is delinquent.**

18 If Except for a primary residence as defined in section 57-02-08.9, if there is no delinquent  
19 general tax against any parcel of real estate and if the parcel of real estate is foreclosed for  
20 special assessments alone, the notice of foreclosure of tax lien must contain a statement to the  
21 effect that the foreclosure is for special assessments. If the foreclosure is made only for special  
22 assessments assessed by a municipality or by a taxing district other than the county, the county

auditor shall issue a tax deed to the municipality or taxing district which assessed such special assessments in the usual course of procedure.

**SECTION 3. AMENDMENT.** Section 57-02-08.9 of the North Dakota Century Code is amended and reenacted as follows:

**57-02-08.9. Primary residence credit - Qualification - Application. (~~Effective for the first two taxable years beginning after December 31, 2023~~)**

1. ~~An individual~~A taxpayer is entitled to a credit of ~~five hundred~~five thousand dollars against the property tax due on the ~~individual's~~taxpayer's primary residence as provided in this section. The credit may not exceed the amount of property tax due. The credit must be applied to reduce the property tax owed on the ~~individual's~~taxpayer's primary residence after other exemptions or credits under this chapter have been applied.
2. For purposes of this section, "~~primary~~":
  - a. "Owned" means the individual holds a present ownership interest, including ownership in fee simple, holds a present life estate or other terminable present ownership interest, holds a beneficial interest in a qualifying trust, or is a purchaser under a contract for deed. The term does not include a mere right of occupancy or a tenancy under a lease.
  - b. (1) "Primary residence" means a dwelling in this state ~~owned and occupied by an individual as that individual's primary place of residence and includes residences taxed under chapter 57-55, including the land, appurtenances, and improvements used in the residential occupancy of the dwelling, that, subject to subsection 3 and paragraph 2, is:~~
    - (a) Owned by one or more individuals, either directly or through a beneficial interest in a qualifying trust;
    - (b) Designed or adapted for human residence;
    - (c) Used as a residence; and
    - (d) Occupied as a primary place of residence by an owner, by an individual who has a life estate in the property, or, for property owned through a beneficial interest in a qualifying trust, by a trustor or beneficiary of the trust who qualifies for the credit.

1                   (2) For purposes of the definition of "primary residence" under this subdivision:

2                   (a) An individual may not have more than one primary residence.

3                   (b) A primary residence includes a primary residence taxed under  
4                   chapter 57-55.

5           c. "Qualifying trust" means a trust:

6                   (1) In which the agreement, will, or court order creating the trust, an instrument  
7                   transferring property to the trust, or any other agreement that is binding on  
8                   the trustee provides that the trustor of the trust or a beneficiary of the trust  
9                   has the right to use and occupy as the trustor's or beneficiary's primary  
10                  residence rent free and without charge except for taxes and other costs and  
11                  expenses specified in the instrument or court order:

12                  (a) For life;

13                  (b) For the lesser of life or a term of years; or

14                  (c) Until the date the trust is revoked or terminated by an instrument or  
15                  court order that describes the property with sufficient certainty to  
16                  identify it and is recorded in the real property records of the county in  
17                  which the property is located; and

18                  (2) That acquires the property in an instrument of title or under a court order  
19                  that:

20                       (a) Describes the property with sufficient certainty to identify it and the  
21                       interest acquired; and

22                       (b) Is recorded in the real property records of the county in which the  
23                       property is located.

24           d. "Trustor" means an individual who transfers an interest in real or personal  
25                  property to a qualifying trust, whether during the individual's lifetime or at death,  
26                  or the individual's spouse.

27           3. An individual who does not reside in the primary residence in this state is eligible for  
28                  the credit under this section if the individual's absence is due to confinement in a  
29                  nursing home, hospital, or other care facility, for as long as that confinement lasts and  
30                  the portion of the primary residence previously occupied by the individual is not rented  
31                  to another individual person.

4. Only one credit under this section may be applied against the property taxes levied against any primary residence.
5. An individual whose primary residence is a farm structure exempt from taxation under subsection 15 of section 57-02-08 is not eligible for a credit under this section.
6. The credit may not reduce the liability for special assessments levied upon any property.
7. To apply for a credit under this section, an applicant shall sign and file with the tax commissioner, ~~by April first of each year,~~ an application containing a verified statement of facts establishing the applicant's eligibility as of the date of the ~~claim~~ application on a form and in the manner prescribed by the tax commissioner. The application must be filed:
  - a. By April 1, 2025, to request a credit for taxable year 2025 for a primary residence taxed as real estate under this title or as a mobile home under chapter 57-55.
  - b. By September 1, 2025, to request a credit for taxable year 2026 for a primary residence taxed as a mobile home under chapter 57-55.
  - c. By April first of each year after 2025 to request a credit for:
    - (1) The taxable year during which the application is filed for a primary residence taxed as real estate under this title.
    - (2) The taxable year succeeding the taxable year during which the application is filed for a primary residence taxed as a mobile home under chapter 57-55.
8. The tax commissioner, in consultation with the county auditors, shall prescribe, design, and make available all forms necessary to effectuate this section. The tax commissioner shall make these forms available upon request.

**SECTION 4. AMENDMENT.** Section 57-02-08.10 of the North Dakota Century Code is amended and reenacted as follows:

**57-02-08.10. Primary residence credit - Certification - Distribution. (Effective through ~~June 30, 2026~~ May 31, 2026)**

1. ~~By June first of each year~~ June 1, 2025, the tax commissioner shall:
  - a. Review a sampling of information certified by the county auditor regarding the sum of the credits applied against real estate and mobile home taxes levied for

1                   taxable year 2024 to verify the accuracy of the application of the credit and certify  
2                   to the state treasurer for payment to each county the aggregate dollar amount of  
3                   credits applied against real estate and mobile home taxes levied for taxable year  
4                   2024.

5           b.   Review the applications received under section 57-02-08.9 for credits to be  
6               applied against real estate and mobile home taxes levied for taxable year 2025  
7               and determine which applicants qualify for the credit allowed under section  
8               57-02-08.9 for taxable year 2025; and

9           ~~b.c.~~   Provide to each county auditor:

- 10                   (1)   A copy of each approved application under subdivision ~~a~~b which identifies a  
11                         primary residence located in the county; and  
12                   (2)   The sum of the credits allowed under section 57-02-08.9 in the county for  
13                         ~~the current~~ taxable year 2025.

14           2.   By November 1, 2025, the tax commissioner shall:

15               a.   Review the applications received under section 57-02-08.9 for primary  
16               residences taxed as mobile homes under chapter 57-55 for credits to be applied  
17               against taxes levied for taxable year 2026 and determine which applicants qualify  
18               for the credit allowed under section 57-02-08.9 for taxable year 2026; and

19               b.   Provide to each county auditor:

- 20                   (1)   A copy of each approved application under subdivision a which identifies a  
21                         primary residence taxed under chapter 57-55 located in the county; and  
22                   (2)   The sum of the credits allowed under section 57-02-08.9 for primary  
23                         residences taxed under chapter 57-55 in the county for taxable year 2026.

24           3.   a.   For taxable year 2025:

25                   (1)   The county auditor shall apply the credit under section 57-02-08.9 to each  
26                         primary residence taxed as real estate under this title and identified by the  
27                         tax commissioner as a qualifying primary residence on the corresponding  
28                         property tax statement.

29                   (2)   The county auditor shall consider an application received under section  
30                         57-02-08.9 for a primary residence taxed as a mobile home under chapter  
31                         57-55 and identified by the tax commissioner as a qualifying primary

1 residence under subdivisions b and c of subsection 1 as an application for  
2 an abatement and refund of taxes in the amount of the credit allowed. The  
3 county auditor shall present the application for abatement and refund of  
4 taxes to the board of county commissioners at its next regular meeting. The  
5 county commissioners shall approve the applications filed under this  
6 paragraph as soon as practicable and refunds must be issued without delay  
7 according to the procedures in section 57-23-09. The application, notice,  
8 and hearing requirements and procedures under chapter 57-23 and  
9 sections 57-55-04.1 and 57-55-12 do not apply to an application for  
10 abatement and refund filed under this paragraph.

11 b. For taxable year 2026, the county auditor shall apply the credit under section  
12 57-02-08.9 to each primary residence taxed as a mobile home under chapter  
13 57-55 and identified by the tax commissioner as a qualifying primary residence  
14 on the corresponding mobile home tax statement.

15 ~~3.4.~~ By January first of each year January 15, 2026, the county auditor shall certify to the  
16 tax commissioner the sum of the credits approved by the tax commissioner under  
17 subsection 1 subdivisions b and c of subsection 1 and subsection 2 which were applied  
18 toward against property taxes owed on primary residences in the county for the  
19 preceding year as provided in subsection 3.

20 ~~4.5.~~ By June first of each year after 2024 May 31, 2026, the tax commissioner shall review  
21 a sampling of information provided by the county auditor to verify the accuracy of the  
22 application of the credit and certify to the state treasurer for payment to each county  
23 the aggregate dollar amount of credits allowed under section 57-02-08.9 in each  
24 county for the preceding year applied against property taxes owed on primary  
25 residences in the county as provided in subsection 3.

26 ~~5.6.~~ Within fourteen days of receiving the payment from the state treasurer, but no later  
27 than June thirtieth of each year after 2024, the county treasurer shall apportion and  
28 distribute the payment to the county and to the taxing districts of the county on the  
29 same basis as property taxes for the preceding year and mobile home taxes were  
30 apportioned and distributed for the taxable year in which the taxes were levied.

6-7. Supplemental certifications by the county auditor and the tax commissioner and supplemental payments by the state treasurer may be made after the dates prescribed in this section to make corrections necessary because of errors.

7-8. The county auditors shall provide information requested by the tax commissioner to effectuate this section.

8-9. The tax commissioner shall prescribe, design, and make available all forms necessary to effectuate this section.

**SECTION 5. AMENDMENT.** Section 57-02-08.10 of the North Dakota Century Code is amended and reenacted as follows:

**57-02-08.10. Primary residence credit - Certification - Distribution. (Effective through after May 31, 2026)**

1. By ~~June 1, 2025~~ June first of each year, the tax commissioner shall:

a. ~~Review a sampling of information certified by the county auditor regarding the sum of the credits applied against real estate and mobile home taxes levied for taxable year 2024 to verify the accuracy of the application of the credit and certify to the state treasurer for payment to each county the aggregate dollar amount of credits applied against real estate and mobile home taxes levied for taxable year 2024.~~

b. Review the applications received under section 57-02-08.9 for ~~credits to be applied against real estate and mobile home taxes levied for taxable year 2025~~ primary residences and determine which applicants qualify for the credit allowed under section 57-02-08.9 for ~~taxable year 2025~~; and:

(1) The taxable year during which the application is filed for a primary residence taxed as real estate under this title.

(2) The taxable year succeeding the taxable year during which the application is filed for a primary residence taxed as a mobile home under chapter 57-55.

~~c.~~ b. Provide to each county auditor:

(1) A copy of each approved application under subdivision ~~b~~ a which identifies a primary residence located in the county; and

1                   (2) The sum of the credits allowed under section 57-02-08.9 in the county for  
2                   taxable year 2025;

3                   (a) The taxable year during which the application is filed for a primary  
4                   residence taxed as real estate under this title; and

5                   (b) The taxable year succeeding the taxable year during which the  
6                   application is filed for a primary residence taxed as a mobile home  
7                   under chapter 57-55.

8           2. By November 1, 2025, the tax commissioner shall:

9           a. ~~Review the applications received under section 57-02-08.9 for primary~~  
10           ~~residences taxed as mobile homes under chapter 57-55 for credits to be applied~~  
11           ~~against taxes levied for taxable year 2026 and determine which applicants qualify~~  
12           ~~for the credit allowed under section 57-02-08.9 for taxable year 2026; and~~

13           b. ~~Provide to each county auditor:~~

14                   (1) ~~A copy of each approved application under subdivision a which identifies a~~  
15                   ~~primary residence taxed under chapter 57-55 located in the county; and~~

16                   (2) ~~The sum of the credits allowed under section 57-02-08.9 for primary~~  
17                   ~~residences taxed under chapter 57-55 in the county for taxable year 2026.~~

18           3. a. ~~For taxable year 2025:~~

19                   (1) ~~The county auditor shall apply the credit under section 57-02-08.9 to each~~  
20                   ~~primary residence taxed as real estate under this title and identified by the~~  
21                   ~~tax commissioner as a qualifying primary residence on the corresponding~~  
22                   ~~property tax statement.~~

23                   (2) ~~The county auditor shall consider an application received under section~~  
24                   ~~57-02-08.9 for a primary residence taxed as a mobile home under chapter~~  
25                   ~~57-55 and identified by the tax commissioner as a qualifying primary~~  
26                   ~~residence under subdivisions b and c of subsection 1 as an application for~~  
27                   ~~an abatement and refund of taxes in the amount of the credit allowed. The~~  
28                   ~~county auditor shall present the application for abatement and refund of~~  
29                   ~~taxes to the board of county commissioners at its next regular meeting. The~~  
30                   ~~county commissioners shall approve the applications filed under this~~  
31                   ~~subdivision as soon as practicable and refunds must be issued without~~



1                    delay according to the procedures in section 57-23-09. The application,  
2                    notice, and hearing requirements and procedures under chapter 57-23 and  
3                    sections 57-55-04.1 and 57-55-12 do not apply to an application for  
4                    abatement and refund filed under this paragraph.

5            b.    For taxable year 2026, the ~~The~~ county auditor shall apply the credit under section  
6                    57-02-08.9 to each primary residence ~~taxed as a mobile home under chapter~~  
7                    ~~57-55 and~~ identified by the tax commissioner as a qualifying primary residence  
8                    under subsection 1 on the corresponding property tax statement or mobile home  
9                    tax statement.

10    4.3.    By ~~January 15, 2026~~ January fifteenth of each year, the county auditor shall certify to  
11                    the tax commissioner the sum of the credits approved by the tax commissioner under  
12                    ~~subdivisions b and c of subsection 1 and subsection 2~~ subsection 1 which were applied  
13                    against property taxes owed on primary residences in the county as provided in  
14                    subsection 32.

15    5.4.    By ~~May 31, 2026~~ May thirty-first of each year, the tax commissioner shall review a  
16                    sampling of information provided by the county auditor to verify the accuracy of the  
17                    application of the credit and certify to the state treasurer for payment to each county  
18                    the aggregate dollar amount of credits applied against property taxes owed on primary  
19                    residences in the county as provided in subsection 32.

20    6.5.    Within fourteen days of receiving the payment from the state treasurer, but no later  
21                    than June thirtieth of each year, the county treasurer shall apportion and distribute the  
22                    payment to the county and to the taxing districts of the county on the same basis as  
23                    property taxes and mobile home taxes were apportioned and distributed for the  
24                    taxable year in which the taxes were levied.

25    7.6.    Supplemental certifications by the county auditor and the tax commissioner and  
26                    supplemental payments by the state treasurer may be made after the dates prescribed  
27                    in this section to make corrections necessary because of errors.

28    8.7.    The county auditors shall provide information requested by the tax commissioner to  
29                    effectuate this section.

30    9.8.    The tax commissioner shall prescribe, design, and make available all forms necessary  
31                    to effectuate this section.

1       **SECTION 6.** A new section to chapter 57-20 of the North Dakota Century Code is created  
2 and enacted as follows:

3       **Collection of delinquent property taxes.**

4       If an owner of a primary residence as defined in section 57-02-08.9 neglects or refuses to  
5 pay the real property taxes or special assessment taxes legally assessed and levied on that  
6 property at the time required by law for the payment of real property taxes and special  
7 assessment taxes, the taxes shall constitute a personal charge against the owner from and  
8 after the day they become due and all of the provisions of law with respect to the enforcement  
9 of collection of personal property taxes, including garnishment, attachment, distress, and any  
10 other remedy provided by law, are applicable.

11       **SECTION 7. AMENDMENT.** Section 57-20-26 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13       **57-20-26. Treasurer to give notice of tax lien by mail.**

14       Between the first and fifteenth of November of each year, the county treasurer shall mail to:

- 15       1. To each owner of any lot or tract of land, except a primary residence as defined in  
16 section 57-02-08.9, for which taxes are delinquent a notice giving that must:
- 17       a. Contain the legal description of that lot or tract and stating that the taxes are  
18 delinquent and constitute a lien against the property. ~~The notice must advise; and~~
- 19       b. Advise the owner that unless the delinquent taxes and special assessments with  
20 penalty, simple interest at the rate of twelve percent per annum from and after  
21 January first following the year in which the taxes become due and payable, and  
22 costs established under subsection 5 of section 57-28-04 are paid by October  
23 first of the second year following the year in which the taxes became delinquent,  
24 the county auditor will foreclose on the tax lien and issue a tax deed to the  
25 county.
- 26       2. To each owner of a primary residence as defined in section 57-02-08.9, for which  
27 taxes are delinquent, a notice that must contain the legal description of that lot or tract  
28 and stating that the taxes are delinquent and constitute a lien against the property and  
29 a personal debt of the owners subject to collection methods allowed by law, including  
30 conversion into a judgment lien against all property of the judgment debtor.

1       **SECTION 8. AMENDMENT.** Section 57-22-22 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **57-22-22. Extended personal property taxes to be collected with real estate taxes.**

4       Collection of personal property taxes entered and extended as a lien on real estate may be  
5 enforced by foreclosure of tax lien, except if the real estate is a primary residence as defined in  
6 section 57-02-08.9. The lands to be foreclosed for personal property taxes entered and  
7 extended thereon must be designated by resolution of the board of county commissioners.

8       **SECTION 9.** A new section to chapter 57-28 of the North Dakota Century Code is created  
9 and enacted as follows:

10       Notwithstanding any other provision in this chapter, this chapter does not apply to a primary  
11 residence as defined in section 57-02-08.9.

12       **SECTION 10. AMENDMENT.** Subsection 1 of section 57-38.3-02 of the North Dakota  
13 Century Code is amended and reenacted as follows:

14       1. "Claimant agency" means the department of health and human services, job service  
15 North Dakota, workforce safety and insurance, state institutions of higher education,  
16 the North Dakota student loan service center, the insurance commissioner, the North  
17 Dakota guaranteed student loan program, the industrial commission acting as the  
18 state housing finance agency under chapter 54-17, a housing authority created under  
19 section 23-11-02, a county for purposes of collecting delinquent real property or  
20 special assessment taxes against a primary residence as defined in section  
21 57-02-08.9, or the state court administrator on behalf of the state courts for purposes  
22 of court-ordered fines, fees, or costs due the state. On or before September first of  
23 each year, the state housing finance agency shall conduct an election by mail among  
24 housing authorities of the state and certify to the tax commissioner which housing  
25 authority received the greatest number of votes and is capable of compliance with the  
26 duties of a claimant agency under section 57-38.3-05. During the ensuing calendar  
27 year, the housing authority certified as selected under this subsection shall act as the  
28 claimant agency for all housing authorities for the purposes of submitting debtor  
29 information to the tax commissioner for fund transfers and for providing notice to the  
30 debtor as required by section 57-38.3-05.

1       **SECTION 11. AMENDMENT.** Section 57-45-12 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **57-45-12. Procedure when taxes or tax lien foreclosures are declared invalid.**

4       When any foreclosure of land for taxes is adjudged to be void, the judgment must state the  
5 reason why it is void. In all such cases, and in cases when by the mistake or wrongful act of the  
6 county treasurer or auditor, land has been foreclosed upon which no taxes were due, and in  
7 cases when taxes have been or may be paid on lands not subject to taxation, or on lands when  
8 subsequent to payment the entry has been or may be canceled, the money so paid and all  
9 subsequent taxes, penalties, and costs which have been or which may be paid must be  
10 refunded, with interest at seven percent per annum from the date of payment to the person  
11 making such payment, the person's heirs or assigns, and the same must be refunded out of the  
12 county treasury to which such money was paid, on an order from the county auditor. A pro rata  
13 share of the money so refunded must be charged to the state and to any city, township, school  
14 district, or other taxing district which may have received any part of such void tax. Whenever  
15 any tax deed made and delivered under this title is adjudged to be void, unless the judgment  
16 declares the tax to be illegal, the tax and all subsequent taxes shall remain and be a lien upon  
17 the land, ~~and. Except for a primary residence as defined in section 57-02-08.9,~~ the county  
18 auditor shall serve notice of foreclosure of tax lien on the following October first pursuant to  
19 chapter 57-28 for the full amount of taxes, penalties, and costs due thereon.

20       **SECTION 12. AMENDMENT.** Section 61-01-21 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22       **61-01-21. Foreclosure of property when only special assessment is delinquent.**

23       ~~If~~Except for a primary residence as defined in section 57-02-08.9, if there are no delinquent  
24 general taxes against any parcel of real estate and it is foreclosed for special assessments  
25 under this title, the notice of foreclosure of tax lien shall contain a statement to the effect that  
26 the foreclosure is for special assessments. If the foreclosure is made only for special  
27 assessments levied by a municipality or by a taxing district other than the county, the county  
28 auditor shall issue a tax deed to the municipality or taxing district which levied such special  
29 assessments in the usual course of procedure.

30       **SECTION 13. AMENDMENT.** Section 61-09-15 of the North Dakota Century Code is  
31 amended and reenacted as follows:

**61-09-15. Assessment made to be general tax - When due and delinquent - Tax lien to be preferred lien.**

All assessments made pursuant to the provisions of this chapter on real property, and assessments on leasehold estates owned by this state or any of its subdivisions, and, to the extent provided by the Act of Congress of August 11, 1916, assessments on entered or unentered public lands shall be a general tax against the real property on which assessed in like manner and to the same effect as general state and county taxes and shall be of the same order. The lien thereof shall share ratably with general tax liens in all tax proceedings and, except as applied to a primary residence as defined in section 57-02-08.9, in tax lien foreclosures and shall be subject to all other provisions of law relating to general taxes. ~~Such~~The assessment shall become due and payable and delinquent at the same time as other general state and county taxes ~~lien foreclosure and~~. Except for an assessment made on a primary residence as defined in section 57-02-08.9, an assessment shall remain subject to all statutory provisions applying to tax lien foreclosure. ~~In, and in~~ case leasehold estates only are affected by said assessments, the tax lien foreclosure notice shall state that fact. The lien for the bonds of any series shall be preferred to that of any subsequent series, and the lien for the payments due to the United States under any contract between the district and the United States, accompanying which bonds have not been deposited with the United States, shall be a lien preferred over that of any issue of bonds or any series of any issue subsequent to the date of such contract. All funds arising from assessment and levy, if any, shall be devoted to the obligations of the district payable from said funds and as to all obligations from the bond and United States contract a fund shall be so devoted in the order of priority of the creation of the obligation. No error or omission which may be made in the proceedings of the board, or of any officer of an irrigation district in referring, reporting upon, ordering or otherwise acting concerning the establishment, construction, or acquisition of irrigation works, or concerning the issuance of bonds or improvement warrants, or in making or certifying any assessment shall vitiate or in any way affect any such assessment; but if it shall appear that by reason of such error or omission substantial injury has been done to the party or parties claiming to be aggrieved, the court shall alter such assessment as may be just and the same shall then be enforced. Whenever the validity of any assessment, or the validity of any deed given pursuant to a foreclosure of tax lien for such assessment shall be drawn in question in any action in any

1 district court in this state, and such assessment shall be held to be invalid by reason of  
2 noncompliance with the laws of this state, the court shall determine the true and just amount  
3 which the property attempted to be so assessed by said assessment should pay, to make the  
4 same uniform with other assessments for the same purpose, and the amount of such  
5 assessments as the same appears on the assessment list thereof, shall be prima facie  
6 evidence of such true and just amount, and judgment must be rendered and given therefor  
7 against the property liable for such assessment, without regard to the proceedings had for the  
8 levy thereof, and such judgment shall be a lien upon the property upon which the assessment  
9 shall have been levied, of equal force and effect as the lien of irrigation district assessments,  
10 and the lien of such judgment shall be enforced by the court in such action.

11 **SECTION 14. AMENDMENT.** Section 61-16.1-31 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13 **61-16.1-31. Foreclosure of tax lien on property when general and special assessment**  
14 **taxes are delinquent.**

15 1. Special assessments imposed under this chapter shall become due and delinquent  
16 and shall be subject to penalties and nonpayment at the same date and rates as first  
17 installments of real estate taxes at the same time and in the same manner as provided  
18 in title 57.

19 2. ~~If~~Except for a primary residence as defined in section 57-02-08.9, if there is no  
20 delinquent general property tax against a tract or parcel of land and it is foreclosed for  
21 special assessments alone, the notice of foreclosure of tax lien shall state that the  
22 foreclosure is for special assessments and a tax deed in such case shall be issued in  
23 the usual course of procedure.

24 **SECTION 15. AMENDMENT.** Section 61-24.8-40 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **61-24.8-40. Foreclosure of tax lien on property when general and special assessment**  
27 **taxes are delinquent.**

28 Special assessments imposed under this chapter become due and delinquent and are  
29 subject to penalties for nonpayment at the same date and rates as first installments of real  
30 estate taxes at the same time and in the same manner as provided in title 57. ~~If~~Except for a  
31 primary residence as defined in section 57-02-08.9, if there is no delinquent general property

1 tax against a tract or parcel of land and it is foreclosed for special assessments alone, the  
2 notice of foreclosure of tax lien must state that the foreclosure is for special assessments and a  
3 tax deed in such case must be issued in the usual course of procedure.

4 **SECTION 16. AMENDMENT.** Section 61-35-87 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **61-35-87. Foreclosure of tax lien on property when general and special assessment**  
7 **taxes are delinquent.**

8 1. Special assessments imposed under this chapter become due and delinquent and are  
9 subject to penalties for nonpayment at the same date and rates as first installments of  
10 real estate taxes at the same time and in the same manner as provided in title 57.

11 2. ~~If~~Except for a primary residence as defined in section 57-02-08.9, if there is no  
12 delinquent general property tax against a tract or parcel of land and it is foreclosed for  
13 special assessments alone, the notice of foreclosure of tax lien must state that the  
14 foreclosure is for special assessments and a tax deed in such case must be issued in  
15 the usual course of procedure.

16 **SECTION 17. EFFECTIVE DATE.** Section 3 of this Act is effective for taxable years  
17 beginning after December 31, 2024. Section 4 of this Act becomes effective on June 1, 2025.  
18 Section 5 of this Act becomes effective on June 1, 2026. Section 10 of this Act is effective for  
19 taxable years beginning after December 31, 2014, and the remainder of this Act is effective for  
20 taxes that become delinquent after December 31, 2024. Property tax proceedings relating to  
21 property taxes that became delinquent before January 1, 2025, are subject to provisions of law  
22 that were in effect December 31, 2024.

23 **SECTION 18. EMERGENCY.** Sections 3 and 4 of this Act are declared to be emergency  
24 measures.