

HOUSE BILL NO. 1343

Introduced by

Representatives Koppelman, Grueneich, Hendrix, Kasper, Motschenbacher, Satrom, Wolff
Senators Boehm, Castaneda

1 A BILL for an Act to create and enact a new section to chapter 57-28, relating to the priority of
2 liens; to amend and reenact sections 47-18-01, 47-18-04, 47-18-18, and 57-28-03 of the North
3 Dakota Century Code, relating to the homestead exemption, declaration of a homestead, and
4 the contents of a tax lien.

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

6 **SECTION 1. AMENDMENT.** Section 47-18-01 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **47-18-01. Homestead exemption - Area and value.**

- 9 1. The homestead of ~~any~~an individual, whether married or unmarried, residing in this
10 state consists of the land ~~upon~~on which the claimant resides, and the dwelling house
11 on that land in which the homestead claimant resides, with all its appurtenances, and
12 all other improvements on the land, ~~the~~. The total value of the homestead may not to
13 exceed one hundred fifty thousand dollars in value, over and above liens or
14 encumbrances or both, unless the claim arises from property taxes or special
15 assessments accruing and levied on the homestead, then the homestead is equal to
16 the total value of the homestead.
- 17 2. The homestead ~~shall be~~is exempt from judgment lien and from execution or forced
18 sale, except as otherwise provided in this chapter.
- 19 3. The homestead may not embrace different lots or tracts of land unless the lots or
20 tracts of land are contiguous. For purposes of this section, "contiguous" means two or
21 more tracts of real property which share a common point or which would share a
22 common point but for an intervening road or right of way.

23 **SECTION 2. AMENDMENT.** Section 47-18-04 of the North Dakota Century Code is
24 amended and reenacted as follows:

1 **47-18-04. When homestead subject to execution.**

2 A homestead is subject to execution or forced sale in satisfaction of judgments obtained in
3 the following cases:

- 4 1. On debts secured by mechanics', construction, or laborers' liens for work or labor done
5 or performed or material furnished exclusively for the improvement of the same.
- 6 2. On debts secured by mortgage on the premises executed and acknowledged by both
7 husband and wife, or an unmarried claimant.
- 8 3. On debts created for the purchase thereof and for all taxes accruing and levied
9 ~~thereon of the homestead.~~
- 10 4. On all other debts, excluding property taxes and special assessments accruing and
11 levied on the homestead, when, upon an appraisal as provided by section 47-18-06, it
12 appears that the value of the homestead is more than one hundred fifty thousand
13 dollars over and above liens or encumbrances on the homestead, and then only to the
14 extent of any value in excess of the sum total of the liens and encumbrances plus said
15 one hundred fifty thousand dollars.

16 **SECTION 3. AMENDMENT.** Section 47-18-18 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **47-18-18. Declaration of homestead - How executed and acknowledged.**

- 19 1. In order to select a homestead ~~the~~:
 - 20 a. The claimant shall execute and acknowledge, in the same manner as a grant of
21 real property is acknowledged, a declaration of homestead, and file the
22 declaration for record.
 - 23 b. A claim of a homestead by a debtor who received a discharge is a declaration of
24 homestead.
 - 25 c. Filing for record in the recorder's office of the county where the homestead is
26 located a certified copy with the legal description of the discharge constitutes
27 notice that the property is a homestead and exempt from judgments.
- 28 2. A declaration executed under this section is executed under penalty of perjury.

29 **SECTION 4. AMENDMENT.** Section 57-28-03 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **57-28-03. Contents of notice of tax lien.**

2 Notice of foreclosure of tax lien must include:

- 3 1. The description of the property.
- 4 2. The amount of delinquent property taxes and special assessments, with penalties,
- 5 interest, and foreclosure costs, for the tax year foreclosed.
- 6 3. The total amount required to satisfy the property tax lien.
- 7 4. The time when the foreclosure will occur.
- 8 5. Information related to the homestead exemption in chapter 47-18, including the
- 9 process to claim a property as a homestead.

10 **SECTION 5.** A new section to chapter 57-28 of the North Dakota Century Code is created
11 and enacted as follows:

12 **Lien priority.**

13 A lien for unpaid property taxes or special assessments under this chapter has priority over
14 any judgment, mortgage, or other lien or claim entered against the real property except for liens
15 under section 35-34-02.1. A lien for property taxes has priority over a lien for special
16 assessments.