

§ 9. APPROPRIATION.] There is hereby appropriated for the purpose of this Act out of any moneys in the State Treasury not otherwise appropriated, the sum of Ten Thousand Dollars (\$10,000.00), or as much thereof as may be necessary to carry out the provisions of this Act.

§ 10. EMERGENCY.] This act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved March 9, 1921.

TAXATION

CHAPTER 118.

(S. B. No. 156.—Bowman.)

ACTIONS.

An Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes before Submitting their Claims to the Board of County Commissioners for Adjustment and dismissing Actions heretofore brought.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. ACTIONS NOT ALLOWED—WHEN.] No action shall be brought in the courts of this state to annul any taxes or tax assessments or to recover back taxes erroneously paid, or any part thereof, until the same shall first have been submitted to the Board of County Commissioners for adjustment in accordance with the existing law, and all actions hereinafter brought, or heretofore brought which have not been prosecuted to judgment, shall, on motion be dismissed without prejudice, provided, that this Act shall not apply to special assessments.

§ 2. EMERGENCY.] Whereas an emergency exists, this act shall be in full force and effect from and after its passage and approval.

Approved March 10, 1921.

CHAPTER 119.

(H. B. No. 128.—Bauer by Request.)

ASSESSMENT OF CORPORATIONS.

An Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the year 1913, as Amended by Chapter 221 of the Session Laws of 1919, relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 2110 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 221 of the Session Laws of 1919, is hereby amended and re-enacted to read as follows:

§ 2110. The President, Secretary or other principal accounting officer of any corporation, joint-stock company or association, whether incorporated or not, except banking corporations, whose taxation is especially provided for in this article, shall make out and deliver to the assessor a sworn statement of the amount of its capital stock, setting forth particularly:

1. The name and location of the corporation, joint-stock company or association.
2. The amount of capital stock authorized and the number of shares into which said capital stock is divided.
3. The amount of capital stock paid up.
4. The market value, or if no market value then the actual value of the shares of stock.
5. The total amount of all indebtedness except the indebtedness of current expenses.
6. The value of all its real property, if any.
7. The value of its personal property.

The aggregate amount of the 6th and 7th items shall be deducted from the aggregate amount of the 4th and 5th, and the remainder, if any, shall be listed as "corporate excess."

The real and personal property, except moneys and credits, of each corporation, joint-stock company or association shall be listed and assessed the same as other real and personal property. In all cases of failure or refusal of any person, officer, corporation, joint-stock company or association to make such return statement it shall be the duty of the assessor to make such return or statement from the best information he can obtain.

Approved March 10, 1921.

CHAPTER 120.

(S. B. No. 147.—Fraser.)

AUCTION SALES.

An Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of such Property at Public Auction, Providing for the Collection of their Personal Property Taxes and Prescribing Duties of Auctioneers, and Clerks in Relation thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Chapter 183 of the Session Laws of 1917 be amended and re-enacted to read as follows:

Every owner of personal property who decides to sell such property at public auction shall notify the County Treasurer of the County in which such property is to be sold not less than six days prior to the date fixed for the sale by sending to him either a copy of the auction bill, or a notice of such auction sale, which must contain the name and post office address of the clerk of such auction sale.

§ 2. Upon receipt of such notice, the county treasurer shall ascertain whether the owner of such personal property has paid the personal property taxes assessed against him and if he finds that such taxes are due and owing he shall immediately notify the clerk of said public auction sale by registered letter showing the amount due on the property to be sold at said auction sale.

§ 3. Every clerk of every public auction sale shall before turning over the proceeds of the sale of such personal property sold at public auction sale, shall retain in his possession sufficient funds therefrom to pay all personal property taxes assessed against the same or which may be outstanding against the same and shall within ten days from date of said sale turn the amount therefrom to the County Treasurer in the County of which said sale took place or in which the taxes have been levied and take his receipt therefor.

§ 4. Any person violating any of the provisions of this Act shall be subject to a fine of not to exceed fifty dollars for each offense.

Approved March 10, 1921.

CHAPTER 121.

(S. B. No. 48.—Mees.)

CLASSIFICATION OF ACRE PROPERTY.

An Act Requiring County Commissioners to have classified all acre property in the State, providing method of contracting for such work of classification, authorizing a tax levy therefor, fixing classification schedules, providing for notice to public prior to adoption of such classification and fixing the duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors with respect to such classification schedules.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. It is hereby made the duty of the board of county commissioners upon receipt of a petition bearing the signatures of not less than fifty per cent (50%) of the resident freeholders of such acreage property in such county in this state to have made and compiled a schedule and classification of all acre property in said county, in the manner hereinafter provided. Such schedule and classification to be made and prepared under the supervision and according to the rules and regulations adopted by the County Commissioners and approved by the State Tax Commissioner, the object of this act is to create a uniform classification of land throughout the state. The provision of this section requiring the approval of the Tax Commissioner shall be mandatory.

§ 2. In Counties where it is deemed best by the said board of County Commissioners the work may be let on contract. The contracts for said work of classification of acre property shall be let to the lowest responsible bidder upon written bids, which bids shall be accompanied by a certified check or bidder's bond in a sum of not less than one thousand dollars to insure the execution of a legal and binding contract, in conformity with the provisions of this act by the successful bidder or bidders. Such bids shall be received and considered only after an advertisement for bids for such purpose shall have been published in the official newspaper of the county, once a week, for six consecutive weeks, and also three insertions in a daily newspaper of general circulation throughout the state. The Board of County Commissioners may in its discretion cause said advertisement to be run in a newspaper, trade journal or publication printed and published outside of the State of North Dakota, which is primarily devoted to engineering projects and subjects. The board may enter into one contract for the said work of classification of all acre property in the county, or if they deem it advisable, the county may be divided into not more than four parts as nearly equal as possible and separate contracts let therefor. Provided, however, that nothing in this section shall be so construed as to prevent local boards of re-

view together with the County Commissioner to provide for a classification of acre property in organized townships. The Commissioners shall reserve the right to reject any or all bids and upon failure to receive satisfactory bids shall re-advertise the work.

§ 3. The successful bidder shall execute, with the county as the party of the second part, a contract for the work of classification of said lands, and shall furnish a satisfactory surety or personal bond, in a sum not less than two thousand dollars, nor more than ten thousand dollars, in the discretion of the board of county commissioners, conditioned upon the faithful performance of the terms and conditions of the contract.

§ 4. For the purpose of providing the necessary funds to carry out the provisions of this act the county commissioners shall levy annually, for as many years as necessary a tax upon all of the taxable property in the county, to create a fund to be known as the "Land Classification Fund." Provided, however, that in no case shall the levy in any one year exceed one-fourth of one mill on all the taxable property in the county. Provided, further, that the county commissioners may when necessary pay the expenses occurring under the provisions of this act, including payments on the contract hereinbefore described, from the general fund of the county until such time as sufficient funds have been raised under the levy herein provided for to pay such expenses, and at such time the county treasurer shall upon order of the board of county commissioners reimburse the general fund for such advance.

§ 5. All acre property in this state, whether taxable at the time the classification hereunder is made or not, shall be scheduled and classified under the provisions of this act, excepting only lands used for rights of way of common carriers. Said classifications shall be made to the end that it will correctly reflect the true value of all such property and to that end determine the value of any and all tracts of land classified hereunder, all recognized elements of value should be taken into consideration and used, including proximity to market, topography of the land, percentage tillable, composition, nature and fertility of soil.

§ 6. The method of classifying used shall be uniform throughout the entire state and after taking into consideration all true elements of value the land of the state hereinbefore described shall be grouped and classified in units of forty acres each, following the present legal descriptions of sections, half sections, quarter sections, eighty and forty acre tracts, under the following classification tables.

Class.	Value.
A-1	from \$190.00 to \$200.00 per acre.
A-2	from 180.00 to 190.00 per acre.
A-3	from 170.00 to 180.00 per acre.
A-4	from 160.00 to 170.00 per acre.
A-5	from 150.00 to 160.00 per acre.
A-6	from 140.00 to 150.00 per acre.
A-7	from 130.00 to 140.00 per acre.
A-8	from 120.00 to 130.00 per acre.
A-9	from 110.00 to 120.00 per acre.
A-10	from 100.00 to 110.00 per acre.
B-1	from 95.00 to 100.00 per acre.
B-2	from 90.00 to 95.00 per acre.
B-3	from 85.00 to 90.00 per acre.
B-4	from 80.00 to 85.00 per acre.
B-5	from 75.00 to 80.00 per acre.
B-6	from 70.00 to 75.00 per acre.
B-7	from 65.00 to 70.00 per acre.
B-8	from 60.00 to 65.00 per acre.
B-9	from 55.00 to 60.00 per acre.
B-10	from 50.00 to 55.00 per acre.
C-1	from 47.50 to 50.00 per acre.
C-2	from 45.00 to 47.50 per acre.
C-3	from 42.50 to 45.00 per acre.
C-4	from 40.00 to 42.50 per acre.
C-5	from 38.50 to 40.00 per acre.
C-6	from 35.00 to 38.50 per acre.
C-7	from 32.50 to 35.00 per acre.
C-8	from 30.00 to 32.50 per acre.
C-9	from 28.50 to 30.00 per acre.
C-10	from 25.00 to 28.50 per acre.
D-1	from 22.50 to 25.00 per acre.
D-2	from 20.00 to 22.50 per acre.
D-3	from 18.50 to 20.00 per acre.
D-4	from 15.00 to 18.50 per acre.
D-5	from 12.50 to 15.00 per acre.
D-6	from 10.00 to 12.50 per acre.
D-7	from 7.50 to 10.00 per acre.
D-8	from 5.00 to 7.50 per acre.
D-9	from 2.50 to 5.00 per acre.
D-10	from 1.00 to 2.50 per acre.

Whenever land values in the state exceed schedule as represented by Class A-1, said land shall be classified in a new classification designated as Class AA, with the same sub-classes as indicated in this schedule, provided, however, that the spread of value between each sub-class shall be twenty dollars.

§ 7. The provisions of this act relating to the method of arriving at values of acre property and the classification thereof shall be incorporated by reference into the contracts entered into for the survey and classification of said property, and said contractor shall at the time of examining, surveying and classifying said property take and keep full and complete field notes and data of all matters and conditions upon which said classification of each forty acre tract is based, and said contract shall not be deemed complete on the part of said contractor until such field notes and data have been prepared, transcribed and submitted to the board of county commissioners by way of copies, maps, blue prints and explanatory diagrams and statements or in such other or additional manner as the contract shall provide, in arriving at the valuation aforesaid no improvements thereupon shall be taken into consideration.

§ 8. Upon full and complete compliance with the terms of the contract in the manner hereinbefore described, and the acceptance thereof by the board of county commissioners, it shall be the duty of said board of county commissioners to give notice through the official newspaper of the county by the publication therein once each week for two consecutive weeks of a day or days certain upon which the owners of classified property, or their agents or attorneys, may examine such classification tables and supporting data of all kinds and be given an opportunity to appear, object and submit proof to said board of any improper, unfair, discriminatory or unreasonable value or classification of such property. After such hearings have been held, and within ten days thereafter, the board of county commissioners, after due and careful consideration of all complaints duly made by owners of classified property, their agents or attorneys, shall amend, change, modify or adopt the classification as finally submitted by the contractor, as in judgment and discretion of said board the facts justify; provided, that in case any changes, amendments or modifications or requirements are made by the board of county commissioners their reasons therefor shall be reduced to writing, spread upon the minutes of the board, and made a part of the classification date by the county auditor. When final approval has been given and said classification has been adopted by the board of county commissioners, it shall not thereupon be subject to change, amendment or modification by the board of county commissioners for a period of one year, and then only upon such notice as is required heretofore in this section; provided, however, that stenographic or clerical errors may be corrected at any regular meetings of the board of county commissioners. Provided, further the same rules shall apply to the returns of local boards of review.

§ 9. Upon the final approval provided for in section eight being given to said classification tables, it shall be the duty of the county auditor to have said classification tables prepared and printed at the expense of the county and so arranged that a list of all lands in each

assessing district can be delivered to the assessor thereof. It shall thereupon be the duty of said assessor in listing and valuing the taxable acre property in his district to use said classification table as the basis of value of such acre property. It shall likewise be the duty of the county auditor to furnish such classification tables to each township board of supervisors, and local boards of review, and it shall be the duty of said boards to use said tables as a guide in their work of equalization. It shall likewise be the duty of the board of county commissioners when sitting as a county board of equalization, to use such classification tables and supporting data in exercising and performing their statutory duties with respect to equalization.

§ 10. All classification tables and supporting data hereinbefore described shall be open to inspection and examination in the office of the county auditor to any interested person appearing during office hours.

Approved March 10, 1921.

CHAPTER 122.

(H. B. No. 25.—Anderson of Burleigh.)

EXEMPTIONS, LIMITATIONS.

An Act to Amend and Re-enact Sub-Section 11 and Sub-Section 15 of Chapter 223, Session Laws of North Dakota for the year 1919, Relating to Taxation and more Specifically to the Exemption of Property from Taxation; and Providing for a Limitation on Tax Levies Upon all Taxable Property.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT. That Sub-Section 11 and Sub-Section 15 of Chapter 223 of the Session Laws of North Dakota for the year 1919 are hereby amended and re-enacted to read as follows:

Sub-Section 11. Structures and improvements, when used as a place of residence and when personally occupied by the legal or equitable owner on village, town or city lots to the amount of five hundred dollars (\$500.00).

Sub-Section 15. The tools, implements or other equipment of a farmer, to the amount of five hundred dollars (\$500.00).

§ 2. The total amount of taxes levied for any purpose, except special levies for local improvements and for the maintenance of sinking funds in any county or political sub-division thereof in any village, town or city within the state shall not exceed an amount equal to one-third of the total combined levies, which were made for the years 1918, 1919, and 1920, except that school districts may levy not to exceed 30

per cent in excess of such amount, and provided that any county or political sub-division thereof or any village, town or city may increase such levy in the same proportion as the assessed property valuation increases or has increased over that of the year 1919. Provided, however, that the electors of any county or political sub-division thereof or any village, town or city within the state, may by a majority vote authorize a levy of 25 per cent in excess of this limit.

§ 3. EMERGENCY.] This is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 19, 1921.

CHAPTER 123.

(H. B. No. 61.—Mr. Wood.)

INCOME TAX EXEMPTIONS.

An Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the year 1919, Relating to Income Taxes.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 5 of Chapter 224 of the Session Laws of the State of North Dakota, for the year 1919, is hereby amended and re-enacted to read as follows, to-wit:

§ 5. The following income shall be exempt from the provisions of this act:

The proceeds of life insurance policies paid to individual beneficiaries upon the death of the insured; the amount received by the insured as a return of any premium or premiums paid by him under life insurance, endowment or annuity contracts, either during the term or at maturity of the term mentioned in the contract, or upon the surrender of the contract; the value of any property acquired by gift, bequest or descent; (but the income from all the above enumerated property shall be taxable), interest upon the obligations of the United States and its possessions, and interest upon the obligations of the State of North Dakota and the political sub-division thereof; securities issued under the provisions of the Federal Farm Loan Act of July 17, 1916, and the amendments thereto, or from bonds of the State of North Dakota, or income from loans on North Dakota real property; and the compensation of all officers and employees of the United States, except such part thereof as may be paid by the State.

Approved March 10, 1921.

CHAPTER 124.

(H. B. No. 162.—Erickson of Walsh.)

INHERITANCE TAX.

AN Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 13b of Chapter 225, Laws of North Dakota, 1919, relating to the Taxation of Transfers or Property by Will, Gift or by Intestate Law be and the same hereby is amended to read as follows:

§ 13b. The State Treasurer shall, upon receipt of the total amount of the tax due from said estate, issue to the administrator or executor paying the same, his receipt therefor, and in addition to said receipt shall at the same time issue to said administrator or executor a certified statement, bearing the seal of his office, to the effect that the full amount of the inheritance tax due from the said estate to the State of North Dakota has been paid. Where the total amount of the tax is paid to the State, the State Treasurer shall pay into the County Treasury of the County in which the estate was probated fifty per cent of the amount received; provided, that in a case where the estate is settled outside the state, or the property thereof exists in more than one county, the total amount of the tax shall be paid into the State Treasury.

§ 2. That Section 43 of Chapter 225, Laws of North Dakota 1919, aforesaid, be and the same is hereby amended and re-enacted to read as follows:

“§ 43. The County Treasurer shall retain for the use of the county, out of all taxes paid and accounted for by him each year under this Act, fifty per cent on all sums so collected by or paid to said Treasurer.”

Approved March 9, 1921.

CHAPTER 125.

(S. B. No. 7—Murphy.)

INHERITANCE TAX.

AN ACT to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 14, Section 14-a and Section 14-b of Chapter 225, Session Laws of North Dakota, for the year 1919, relating to the

taxation of transfers of property by Will, Gift, or by Intestate Laws, be and the same is hereby repealed.

§ 2. The intention of this law is to exempt from inheritance tax all intangibles of non-resident decedents.

Approved March 3, 1921.

TOBACCO

CHAPTER 126.

(H. B. No. 154—Halcrow.)

CIGARETTES.

AN ACT to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913. Prohibiting the Manufacture, Sale Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 10184 of the Compiled Laws of North Dakota for 1913 is hereby amended and re-enacted to read as follows:

§ 10184. MANUFACTURE, SALE, DISPOSING OF, GIVING AWAY, SOLICITING ORDERS FOR CIGARETTES AND CIGARETTE PAPERS PROHIBITED.] It shall be unlawful for any person, by himself, clerk, servant, employe or agent, directly or indirectly, upon any pretense or by any device, to manufacture, sell, exchange, barter, dispose of or give away, or keep for sale any cigarettes, cigarette papers or cigarette wrappers, or any paper made or prepared for the purpose of being filled with tobacco for smoking.

Further, it shall be unlawful for any person by himself, clerk, servant, employe or agent, directly or indirectly, to solicit, receive, or procure from, or aid in soliciting or procuring from any person within this state any order, directions, or instructions providing for, or in any manner relating to the delivery, purchase or sale, either within, or from without the State of North Dakota for any cigarettes, cigarette papers, or cigarette wrappers or any paper made for the purpose of being filled with tobacco for smoking.

§ 2. KEEPING. PRIMA FACIE EVIDENCE.] The keeping of cigarettes, or cigarette papers or wrappers in his public place of business by any owner or proprietor thereof, by himself, clerk, servant, employe or agent shall be prima facie evidence of the keeping of the same for sale.