

any kind, nature or description which is unlawfully exposed, offered or kept for sale, or as a gift by such person, firm or corporation, or any device of any kind, nature or description, used as a game of chance, or for gambling purposes, such inspector is hereby authorized and empowered, whether the violator is arrested or not, to seize and confiscate, and deliver to the attorney general of the State of North Dakota all such goods, wares and merchandise, game of chance or gambling devices together with the contents of same. Provided, unless the owner of the property so seized, shall within sixty days from the date of such seizure, institute an action in the district court of Burleigh County to have the legality of his possession of any such property so seized under the provisions of this act, determined, the said goods shall be considered forfeited to the State of North Dakota, and the attorney general may thereafter make application to the district court of Burleigh County, North Dakota, for an order to sell and dispose of such seized and confiscated goods. The district court shall, upon proper application by the attorney general, showing when such goods were seized, and further showing that notice by registered mail has been served upon the owner, his agent or attorney, of such confiscated property, giving the date when such property was seized, issue his order authorizing the attorney general to sell such property either at public or private sale, or to destroy the same, and the net proceeds of said sales, after the expenses are paid shall be paid to the state treasurer, and credited to the attorney general inspection fund. Provided further that all goods seized and confiscated by state inspectors prior to the passage and approval of this act, and which are now in the possession of the attorney general, may be disposed of without giving the required notice.

Approved March 4, 1929.

TAXATION

CHAPTER 228

(H. B. No. 176—Thatcher.)

TAX RECEIPTS

An Act to amend and re-enact Section 2157 of the Compiled Laws of North Dakota of the year 1913 relating to the issuance of tax receipts and the form thereof.

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

§ I. AMENDMENT.] That Section 2157 of the Compiled Laws of North Dakota of the year 1913 is hereby amended and re-enacted to read as follows:

§ 2157. TAX RECEIPTS, WHAT TO SPECIFY, NUMBERED CONSECUTIVELY, DUPLICATES FILED WITH COUNTY AUDITOR.] Upon the payment of any tax, the county treasurer shall give to the person paying the same a receipt therefor, showing the name and postoffice address of such person, the amount and date of payment, the land, lot or other property upon which the tax is levied, according to the description on the tax list, or in some other sufficient manner, and the year or years for which the tax was levied. If for current taxes on real estate, the receipt shall have written or stamped across its face "taxes for" (giving the year in figures) or "first half of taxes" (giving the year in figures) or "last half of taxes" (giving the year in figures), as the case may be. Each year's tax shall be on a separate receipt and the receipts for each year shall be numbered from one upwards. If land has been sold for taxes, either to a purchaser or to the county, and the time for redemption from such sale has not expired, the receipt for such taxes shall have written or stamped across the face "sold for taxes", with a statement of the years for which any of the real estate described therein has been sold for taxes and not redeemed. The treasurer shall make duplicates of all receipts and shall return such duplicates at the end of each day to the county auditor. He shall file and preserve them in his office, charging the treasurer with the amount thereof.

Approved March 7, 1929.

CHAPTER 229

(H. B. No. 173—Swendseid.)

ASSESSMENT AND TAXATION OMITTED PROPERTY

An Act to provide for the assessment of omitted property in the case of property required to be assessed by the state board of equalization, and for the taxation of such omitted property.

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

§ 1. Whenever after the final adjournment of the state board of equalization the tax commissioner shall discover that any taxable property, which is subject to assessment by the state board of equalization, has been omitted in whole or in part, in the assessment of any year or years, or that any person, company or corporation whose property is subject to assessment by the state board of equalization has filed with the state tax commissioner, or state board of equalization, a false statement of his or their property, or has omitted property subject to taxation, in any such statement, or has neglected or refused to file such statement, the tax commissioner shall there-

upon assess such omitted property at its just and true value for each year such property was omitted or escaped taxation, not exceeding six years.

§ 2. The tax commissioner shall give notice by mail to the person, company or corporation owning such property, of his action in assessing such property; shall describe the property in general terms, and shall notify such person, company or corporation to appear before him at his office at a specified time within fifteen (15) days after such notice and show cause, if any, why such property should not be added to the assessment rolls. If the person, company or corporation, or an agent or representative thereof, does not appear, or if they appear and fail to give good and sufficient reasons why such assessment should not be made, the same shall be made. The tax commissioner is hereby vested with all powers conferred upon the state board of equalization in discharging the duties imposed upon him by the provisions of this act, provided, that if any person, company or corporation is aggrieved by any assessment of omitted property made by the tax commissioner under this act, they shall have the right to appeal to the state board of equalization for a review of such assessment.

§ 3. In case any such appeal is filed, the tax commissioner shall call a meeting of the state board of equalization at a specified time to be approved by the governor, at which time any party protesting the assessment of omitted property may be heard. Due notice of the time and place of the meeting of the state board of equalization shall be given to the taxpayer. After consideration of the facts, the state board of equalization shall fix the assessment of property according to the best judgment of the board.

§ 4. The valuation of such omitted property shall be apportioned to the county or counties in which located according to the law governing the regular assessment of such property. Taxes against escaped property or omitted property shall be assessed, levied and collected as provided in the case of general property which may have escaped taxation. The provisions of law governing the assessment of omitted general property and the levy and collection of taxes thereon shall be applicable to property assessed under the provisions of this act, except as otherwise specifically provided.

§ 5. All acts and parts of acts that conflict with this act are hereby repealed.

Approved March 7, 1929.

CHAPTER 230

(H. B. No. 172—Swendseid)

EXEMPTION FARM BUILDINGS AND IMPROVEMENTS FROM
TAXATION

An Act to amend and re-enact Subsection 14 of Section 2078 of the Supplement to the Compiled Laws of 1913, relating to the exemption of farm buildings and farm improvements from taxation.

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

§ I. AMENDMENT.] That Subsection 14 of Section 2078 of the Supplement to the Compiled Laws of 1913, be amended and re-enacted to read as follows:

Subsection 14. All farm structures and improvements located on agricultural lands. This subsection shall be construed to exempt farm buildings and improvements only, and shall not be construed to exempt from taxation industrial plants or structures of any kind not used or intended for use as a part of a farm plant or as a farm residence.

Approved March 11, 1929.

CHAPTER 231

(H. B. No. 150—Swendseid by Request.)

REPEAL COUNTY TAX LEVY FOR IMMIGRATION

An Act to repeal Sections 3277 and 3278 of the Compiled Laws of 1913, relating to a special tax levy for immigration, levied by the board of county commissioners upon petition of 20 per cent of the legal voters of the county.

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

§ I. LAW REPEALED.] That Sections 3277 and 3278 of the Compiled Laws of 1913 be and the same are hereby repealed.

Approved March 8, 1929.

CHAPTER 232

(H. B. No. 148—Swendseid by Request.)

REPEAL ASSESSMENT AND TAXATION CORPORATE EXCESS

An Act to repeal Sections 2110, 2110a1 and 2110a2 of the Supplement to the Compiled Laws of 1913, relating to the assessment and taxation of corporate excess.

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

§ 1. LAW REPEALED.] That Sections 2110, 2110a1 and 2110a2 of the Supplement to the Compiled Laws of 1913, providing for the assessment and taxation of corporate excess, having been declared unconstitutional by the supreme court of North Dakota in the case of Gamble Robinson Fruit Company v. Thoresen, 53 N. D. 28; 204 N. W. 861, be and the same are hereby repealed.

Approved March 7, 1929.

CHAPTER 233

(H. B. No. 128—Twichell.)

TAX CERTIFICATES, ETC., ON LANDS ACQUIRED BY
STATE TREASURER AS TRUSTEE

An Act providing that the right of any county holding a tax certificate, or other tax lien on lands acquired by the state treasurer as trustee of the State of North Dakota under the provisions of Chapter 154 of the Session Laws of North Dakota for 1919 and Chapter 292 of the Session Laws of North Dakota for 1923 and acts amendatory thereof, to enforce the collection of the same, shall be suspended until July 1st, 1931; providing the rate of interest such tax certificates and tax liens shall bear; and prohibiting the assignment or transfer of all tax certificates or tax liens held by the county on any lands that have been foreclosed under said acts.

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

§ 1. In all cases where the state treasurer as trustee of the State of North Dakota has heretofore, or hereafter acquires the title to any lands within the State of North Dakota under the provisions of Chapter 154 of the Session Laws of North Dakota for 1919 and Chapter 292 of the Session Laws of North Dakota for 1923, and acts amendatory thereof, and there are outstanding against such lands tax certificates held by the county, the right of the county to acquire a tax deed thereto, or to otherwise enforce the collection of its tax certificates or other tax liens against said

lands shall be wholly suspended until July 1st, 1931, and any proceedings taken to acquire title by tax deed, or to otherwise enforce such tax liens shall be null and void; provided, that upon the resale of any such lands, either by deed or contract, the right of the county to enforce its tax certificates or tax liens in the manner provided by law shall thereupon be restored and shall thereafter remain in full force and effect.

§ 2. From and after the date of acquiring title by the state treasurer as trustee of the State of North Dakota to any lands as provided in section 1, hereof, all tax certificates or other tax liens held by the county thereon shall bear interest at the rate of seven per cent (7%) per annum until redeemed or paid.

§ 3. From and after the date of the foreclosure sale of any lands under mortgages held by the state treasurer as trustee of the State of North Dakota under the provisions of Chapter 154 of the Session Laws of North Dakota for 1919, and Chapter 292 of the Session Laws of North Dakota for 1923, and acts amendatory thereof, no tax certificate or tax lien held by the county on any of said lands shall be assigned, or in any manner transferred to any person, firm or corporation for any purpose whatever during the time such foreclosure sale remains unredeemed, and any purported assignment or transfer of any such tax certificate or other tax liens made in violation hereof, shall be null and void.

§ 4. This act shall expire and become inoperative for any purpose on the first day of July, A. D. 1931.

Approved March 7, 1929.

CHAPTER 234

(H. B. No. 115—Twichell.)

CANCELLATION UNCOLLECTED PERSONAL PROPERTY TAXES 1920 AND PRIOR

An Act to cancel uncollected personal property taxes assessed for 1920, and prior years, and providing for the certification thereof to the state auditor of state taxes cancelled, and credit therefor to the counties.

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

§ 1. That all unpaid personal property taxes levied and assessed for the year 1920, and all prior years thereto, be and the same are hereby cancelled, and the county auditors of the various counties of the state are directed to cancel the same of record, and to furnish a

list of such cancellations to the treasurer and sheriff of their respective counties, who shall note on their lists that such taxes are cancelled; and it shall be the duty of the county auditor to certify to the state auditor the amount of state taxes so cancelled, and the state auditor shall enter the same to the credit of the county accordingly.

§ 2. All acts or parts of acts in conflict herewith are hereby repealed.

Approved March 7, 1929.

CHAPTER 235

(H. B. No. 97—McManus and Jardine.)

TAX LEVY LIMITATIONS

An Act relating to the manner of making tax levies, determination of the rate of levy, limiting the rate of levy for state, county, city, village, township, school district, and park district purposes, prescribing duties of county auditor in connection with extension of levies, etc., and repealing Sections 2148 and 2149 of the Compiled Laws of 1913, Section 2150 of the Supplement to the Compiled Laws of 1913, and Section 2151 of the Supplement to the Compiled Laws of 1913 as amended by Chapter 199, Session Laws of 1927, Sections 2163a1 to 2163a6, and 2163a8 to 2163a10 of the Supplement to the Compiled Laws of 1913, and 2163a7 of the Supplement to the Compiled Laws of 1913 as amended by Chapter 269, Laws of 1927.

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

§ 1. LEVY IN SPECIFIC AMOUNTS.] All county, city, village, township, school district, and park district taxes shall be levied or voted in specific amounts, except special assessment taxes and such general taxes as may be definitely fixed by law.

§ 2. DETERMINATION OF RATE.] The rate per centum of all taxes, except the state tax and taxes the rate of which is fixed by law, shall be calculated and fixed by the county auditor within the limitations prescribed by statute. If any municipality shall levy a greater amount than the prescribed maximum legal rate of levy will produce, then the county auditor shall extend only such amount of tax as the prescribed maximum legal rate of levy will produce. The rate shall be based on the aggregate net assessed valuation of taxable property in the municipality levying the tax. The rate per cent of all taxes shall be calculated by the county auditor in mills, tenths and hundredths of mills.

§ 3. STATE TAX LEVY.] The state tax shall be levied by the state board of equalization at its annual meeting in August of each

year. The state board of equalization shall determine the rate of state tax to be levied for the purposes prescribed by law and such rate shall be based on the aggregate net assessed value of the taxable property within the state as assessed and equalized by such state board. In levying said tax the state board of equalization shall be limited by the amount necessary to raise for the purpose of meeting the appropriations made by the legislative assembly and the estimated general expenses of the state, together with a sufficient amount to pay the annual interest on the public debt of the state and provide a sinking fund to pay and discharge the principal thereof at maturity. State levies shall be made in specific amounts and the rate shall be determined by the State Board of Equalization. The aggregate rate of levy for all state purposes, exclusive of interest on the public debt of the state shall not exceed four mills on the dollar of the net taxable assessed valuation of all property in the state as equalized by the state board for the current year. The rate of state tax shall be certified by the state tax commissioner to each county auditor on or before the fifteenth day of September annually.

§ 4. COUNTY TAX LEVY.] On the fourth Tuesday in July of each year, or within ten days thereafter, the board of county commissioners of each county shall levy the necessary taxes for the current year on all taxable property in the county. In levying county taxes the board of county commissioners shall be limited by the amount necessary to raise for the purpose of meeting the appropriations included in the county budget of the current fiscal year, and the sum necessary to provide as a general reserve fund as hereinafter provided, together with a tax sufficient in amount to pay the interest on the bonded debt of the county and provide a sinking fund to pay and discharge the principal thereof at maturity. The county budget shall show the complete expenditure program of the county for the current fiscal year and the sources of the revenue from which it is to be financed.

(a) LIMITATION.] The aggregate amount levied by any county for general county purposes shall not exceed such amount as will be produced by a levy of eight (8) mills on the dollar of its net taxable assessed valuation. (b) The aggregate amount levied for road purposes in any county plus the amount levied for bridge purposes shall not exceed such amount as will be produced by a levy of two and one-half (2½) mills on the dollar of the net taxable assessed valuation of the county. (c) The foregoing limitation as to rate of levy for general county purposes shall not apply to levies for the purpose of paying interest upon the bonded indebtedness of the county, or to levies made to pay and discharge the principal thereof, nor to the county tuition levy provided for by Section 1224 of the Supplement to the Compiled Laws of 1913, nor to taxes

levied pursuant to the provisions of Section 2868a1 for the purpose of combating the grasshopper pest; not to taxes levied pursuant to the provisions of Sections 2261 and 2262 of the Supplement to the Compiled Laws of 1913 for the purpose of combating gophers and similar pests. With the exception noted in this Section the limitation of eight (8) mills for general county purposes shall apply to all taxes which a county is authorized to levy.

(d) The county auditor shall also levy a tax of one dollar on each elector in the county for the support of the public schools, and no property shall be exempt from the collection of such tax by distress or otherwise, which tax, when so collected, shall be distributed to the several school corporations in the county in proportion to the number of children of school age residing in the territory.

(e) "The county auditor shall levy for road purposes a poll tax of one dollar and a half on every male person between the ages of twenty-one and fifty years not exempted by law. No property shall be exempt from the collection of such tax by distress or otherwise. Road poll taxes when collected, shall be distributed to the city, village or township in which such taxpayer resides, provided that in case of taxes collected from residents of unorganized territory said tax shall be retained in the county treasury and shall be expended by the board of county commissioners in such territory."

§ 5. CITY AND VILLAGE TAX LEVIES.] City and village taxes shall be levied by the city council or the village board of trustees, as the case may be, at the annual budget meeting of the city or village on the fourth Wednesday of July of each year or within ten days thereafter. In levying city and village taxes the governing body of the municipality shall be limited by the amount necessary to raise to meet appropriations included in its annual budget of the current fiscal year, and the sum necessary to be provided as a reserve fund (as hereinafter provided in Section 10) together with a tax sufficient in amount to pay the interest on the bonded debt of the municipality and to provide a sinking fund to pay and discharge the principal thereof at maturity.

(a) The aggregate amount levied for general village purposes shall not exceed such amount as will be produced by a levy of ten mills on the net taxable assessed valuation of property in the village.

(b) The aggregate amount levied for general city purposes shall not exceed such amount as will be produced by a levy of fourteen mills on the net taxable assessed valuation of property in the city.

(c) The foregoing limitations in this section shall not apply to:

(1) Taxes levied pursuant to the provision of Section 3716 of the Supplement to the Compiled Laws of 1913, (or acts amendatory thereof, for the purpose of paying a deficiency in connection with a special improvement project.

(2) Nor to taxes levied pursuant to the provisions of Section 3723 of the Compiled Laws of 1913 for the purpose of paying a proportion of the cost of a special improvement project by general taxation;

(3) Nor to levies to pay interest on bonded debt and levies to pay and discharge the principal thereof at maturity. With the exceptions noted in this paragraph, the limitations prescribed in paragraphs (a) and (b) of this section shall apply to all taxes which any village or city is authorized to levy.

§ 6. PARK DISTRICT TAX LEVIES.] Park district taxes shall be levied by the park commission at the annual budget meeting of the commission on the fourth Wednesday of July of each year or within ten days thereafter. In levying park district taxes the park commission shall be limited by the amount necessary to raise to meet appropriations included in its annual budget of the current fiscal year, and the sum necessary to be provided as a reserve fund (as hereinafter provided in Section 10) together with a tax sufficient in amount to pay the interest on the bonded debt of the municipality and provide a sinking fund to pay and discharge the principal thereof at maturity. The aggregate amount levied for park district purposes, exclusive of levies to pay interest on bonded debt and levies to pay and discharge the principal thereof, shall not exceed such amount as will be produced by a levy of 2 mills on the dollar of the net taxable assessed valuation of the district for the current year.

§ 7. SCHOOL TAXES.] School district taxes shall be levied by the governing body of each school district on or before the last day of July of each year. Taxes for school district purposes shall be based upon an itemized budget statement which statement shall show the complete expenditure program of the district for the current fiscal year and the sources of the revenue from which it is to be financed. The board of education or board of directors of each school district, whether common, independent or special, in levying taxes shall be limited by the amount necessary to raise for the purpose of meeting the appropriations included in the school budget of the current fiscal year, and the sum necessary to be provided as a reserve fund (as hereinafter provided in Section 10) together with a tax sufficient in amount to pay the interest on the bonded debt of the district and provide a sinking fund to pay and discharge the principal thereof at maturity.

(1) The aggregate amount levied by any school district, whether common, independent or special, shall not exceed such amount as will be produced by a levy of fourteen (14) mills on the dollar of the net assessed valuation of the district, except that;

(2) Any school district giving two years of standard high school work may levy taxes not to exceed sixteen (16) mills and;

(3) Any school district giving four years of standard high school work may levy not to exceed eighteen (18) mills, and;

(4) Any school district maintaining a consolidated school may levy not to exceed sixteen (16) mills on the dollar of its net taxable valuation.

(5) The governing body of any school district may levy taxes annually for a school building fund not in excess of one mill annually and not in excess of the limitations prescribed in this section and Section 13, when authorized to do so by 60% of electors voting upon the question at a regular or special election. Such fund shall be used exclusively for erecting school buildings. All amounts received from such levy shall be kept in a special fund and such fund shall be known as a school building fund. Such fund may be used in connection with the proceeds of any bond issue made for the same purpose. It shall be illegal to use such fund or any part thereof for any purpose except for the purposes for which the fund was created. Such fund shall be subject to all requirements which now govern the sinking fund of any such school district and shall be retained by or deposited with the custodian of the sinking funds of the district. All payments from such fund shall be upon warrant of the proper fiscal officer of the district for whose benefit the tax was levied. Whoever uses or authorizes to be used such fund or any part thereof for any purpose except the purpose for which the fund was created shall be liable therefor and upon his official bond. If any unexpended balance of such fund is no longer needed for the purpose for which the fund was created or the project is abandoned, such balance shall be transferred to the general fund of the municipality or to the sinking fund or funds of the municipality as directed by the governing board. No such transfer shall be made until the object of the levy is satisfied or abandoned.

(6) The foregoing limitations shall not apply to levies for the purpose of paying interest on bonded debt or to levies made to pay and discharge the principal thereof at maturity.

§ 8. TOWNSHIP TAX LEVIES. (a) ELECTORS RIGHT TO VOTE AMOUNTS FOR TOWNSHIP PURPOSES.] The electors of each township shall have power at the annual meeting to vote to raise such sums of money for the repair and construction of roads and bridges,

for the support of the poor and for all township charges and necessary expenses, as they deem expedient within the limitations prescribed by this section. They may, at such annual meeting, direct such portion of the poll or road tax of the township to be expended on the highways in an adjoining township, as they deem conducive to the interest of the township. Labor and taxes in such instances shall be expended under the joint direction of the supervisors of the townships interested and furnishing the same. Where more than one congressional township is included within an organized township, the poll and road taxes raised within the limits of each of such congressional townships shall be expended within such congressional townships, unless raised to be expended outside of such organized townships in an adjoining township. The total amount of the annual tax levy in civil townships shall not exceed such amount as will be produced by a levy of five (5) mills on the dollar of the net taxable assessed valuation thereof, exclusive of levies to pay interest on bonded debt and to provide a sinking fund to pay and discharge the principal thereof at maturity. The board of township supervisors may levy for township purposes, such sum as may be voted at the annual town meeting. No tax for township purposes shall exceed the amount voted to be raised at the annual township meeting.

(b) On the last Tuesday in March of each year, or within ten days thereafter, the board of supervisors of each organized civil township shall levy the annual taxes for the ensuing year, as voted at the annual town meeting, and immediately thereafter the township clerk shall certify to the county auditor the amount of such levies.

§ 9. UNORGANIZED TOWNSHIP TAX LEVIES.] The board of county commissioners shall have the same jurisdiction in relation to roads and bridges in unorganized parts of counties as the township supervisors now have in organized townships and shall have power to levy road and bridge taxes in unorganized parts of counties to be expended therein. The total tax for road and bridge purposes, levied by the board of county commissioners in such unorganized townships for road and bridge purposes, shall not exceed two (2) mills on the dollar of the net taxable assessed valuation of such unorganized townships. Such limitation, however, shall not be construed as limiting the power of the board of county commissioners to levy general county taxes for road and bridge purposes in such unorganized territory as may be provided by law.

§ 10. GENERAL RESERVE FUND.] The governing body of any county, city, village, school district, park district or other municipality authorized to levy taxes may include in its budget an item to be known as the "General Reserve Fund" which shall be carried

over to the next ensuing fiscal year to meet the cash requirements of all funds or purposes to which the credit of the municipality may be legally extended for that portion of such fiscal year prior to the receipt of taxes therein. In no case shall such "General Reserve Fund" be in excess of the amount reasonably required to finance the municipality for the first nine months of the next ensuing fiscal year, provided further that such reserve fund shall not be in excess of three-fourths the current annual appropriation for all purposes other than debt retirement purposes and appropriations financed from bond sources.

§ 11. DETERMINATION OF LEVY.] The amount to be levied by any county, city, village, township, school district, park district or other municipality authorized to levy taxes shall be: (1) The amount of estimated expenditures for the current fiscal year as finally determined plus (2) the required reserve fund determined upon by the governing board from the past experience of the district; less the total of (3) the available surplus (free and unincumbered cash balance) (4) estimated revenues from sources other than direct property taxes. (5) The total of estimated collections from previous years tax levies, (6) such expenditures as are to be made from bond sources. The governing body of the municipality, however, may make allowance for a permanent delinquency or loss in tax collections not to exceed 5% of the amount of the levy.

§ 12. CERTIFICATION OF LEVY.] The taxes levied or voted by incorporated cities, villages, townships, school districts and park districts, shall be certified by the proper authorities to the county auditor immediately following the action of the governing board or within 10 days thereafter.

Any city, village, township, school district or park district official required by law to report the amount of taxes to be levied for such city, village, township, school district or park district, and neglecting or refusing to make such report within the time required by this section, shall be subject to a penalty of not less than \$25 for such refusal or neglect, to be recovered on complaint of the county auditor before any court of competent jurisdiction. Upon complaint of the county auditor, the state's attorney shall bring an action in the name of the state for the benefit of the county general fund.

The county auditor of each county in this state, upon receipt of tax levies certified to him by the proper authorities of the state or of any incorporated city, village, township, school district, park district, shall immediately upon receiving such tax levies so certified to him, acknowledge receipt thereof to the proper official of any municipality, transmitting any such tax levies to him.

§ 13. VOTERS MAY AUTHORIZE EXCESS LEVY.] A county, city, village, township or school district may levy taxes in excess of the limitations prescribed by sections four to eight inclusive of this act when authorized so to do by sixty per cent (60%) of the electors voting upon the question at a regular or special election, provided, however, that the excess levy shall not be more than 50 per cent over and above the legal limitation of levy. The governing body of any such municipality may, at any time prior to August 1st in any year, by a two-thirds vote of all the members of said board, declare by resolution that the amount of taxes which may be raised at the maximum rate authorized by law will be insufficient to provide an adequate amount for the necessary requirements of the municipality in question and that it is necessary to levy taxes in excess of said limitations for the purpose of meeting the current expenses of the municipality. The tax levying board of any such municipality shall thereupon have the power to call a special election for the purpose of voting upon the question of authorizing an excess levy, or in the case of counties, to submit the question to the voters either at a special election called for that purpose or at the regular primary election. Such election shall be held not later than September 1st of the year in which the tax is to be levied and shall be conducted as other elections of such municipalities except as herein otherwise provided. The notice of election, in addition to the usual requirements, shall contain a statement of the question to be voted upon pursuant to the terms of this act, and shall also show the total amount of income and expenditures of such taxing districts for the fiscal year immediately preceding; the estimated expenditures, for the year for which the taxes are to be levied; the aggregate amount of tax levied which the tax levying board seeks authority to make; the aggregate amount of tax levies permissible without special authority from the electors; and the amount of tax levy in excess of the statutory limit which the board seeks authority to make. A copy of the notice of election shall be mailed by the auditor or clerk of the taxing district to the tax commissioner at Bismarck, North Dakota, on or before the date of the posting or first publication of the notice and shall be open to public inspection in his office.

The governing body of any school district shall be authorized to submit the question of authorizing an excess levy for the current year and the next succeeding year or the next two succeeding years. When the question of authorizing an excess levy for more than one year is submitted by the governing body of any school district, the form of ballot shall be varied from the form prescribed in this section in order to properly cover the question submitted. The notice of election shall, in addition to the foregoing requirements, give notice of the year or years for which authorization is sought for

an excess levy. If such excess levy is authorized by a sixty per cent (60%) vote of the electors of the district voting upon the question, the board may make such excess levy for the years for which authorization has been given. Such excess levy may at any time be discontinued by the governing body and shall be discontinued upon petition of 20% of the voters of the district.

In case the question is submitted by the county board at the regular primary election, the county auditor shall publish a notice of the submission of such question with the information above indicated, or shall embody such information in the usual notice of election.

The question shall be submitted in the follownig form:

“Shall (naming the taxing district)
levy taxes for the year (naming the current calendar year)
which shall exceed the legal limit by dollars, so that
the taxes levied instead of being dollars, which is the
limit authorized by law, shall be dollars?”

Opposite to such question shall be printed the word “yes” and below it the word “no”, and opposite each word there shall be a square in which the voter may indicate his intention by making a cross. If sixty per cent (60%) of all votes cast upon the question are in favor of authorizing the excess levy, it shall thereby be authorized. In such case, the election board shall certify the result of such election to the county auditor within ten days after such election, and in case of a county election the result shall be certified by the canvassing board within one day after it has completed canvassing the returns from the several precincts. The certificate shall include a statement of the question as the same appeared upon the ballot, together with the total number of votes cast upon the question, the number of votes cast in favor of it, and the number of votes cast against authorizing the excess levy. If sixty per cent (60%) of the votes cast upon the question were in favor of authorizing such excess levy, the county auditor shall extend such excess levy upon the tax lists.

§ 14. DEFINITIONS AND INTERPRETATIONS.] In this act unless the context or subject matter otherwise requires:

(1) “Municipality” or “Taxing District” means a county, city, village, township, common school district, independent school district, special school district or park district empowered to levy taxes.

(2) The terms "net assessed valuation" or "assessed valuation" when used in this act, signify the valuation remaining after deducting exemptions and making other reductions from the original assessed valuation, and is the valuation upon which the rate of levy is finally computed and against which the taxes are finally extended.

(3) "Governing body" means a board of county commissioners, city council, board of city commissioners, village board of trustees, school board or board of education of any school district, and the similarly constituted and acting board of any other municipality enumerated in Subsection 1 of this section.

(4) "Unincumbered cash" means the total cash on hand in any fund less the amount belonging to the fund in closed banks and less the amount of outstanding bills, accounts and contracts which are chargeable against the fund.

§ 15. PENALTY FOR VIOLATION.] Any county auditor who shall extend taxes in excess of the limitations prescribed by the terms of this act shall forfeit a sum not less than twenty-five dollars and not exceeding one thousand dollars to be determined by the court in an action brought in district court by the state's attorney in the name of the state for the benefit of the county general fund, and if such action of the county auditor be willful he shall also be deemed guilty of a misdemeanor and in addition to the usual penalty his office shall be deemed vacant and shall be filled according to law.

§ 16. REPEAL.] Sections 2148 and 2149 Compiled Laws of 1913, Sections 2150 of the Supplement to the Compiled Laws of 1913, and Section 2151 of the Supplement to the Compiled Laws of 1913 as amended by Chapter 199, Session Laws of 1927, Sections 2163a1 to 2163a6, and 2163a8 to 2163a10 of the Supplement to the Compiled Laws of 1913, and Section 2163a7 of the Supplement to the Compiled Laws of 1913, as amended by Chapter 269, Session Laws of 1927 and all acts and parts of acts in conflict with the provisions of this act are hereby repealed.

Approved March 14, 1929.

CHAPTER 236

(H. B. No. 42—Committee on Appropriations.)

TAX LEVY CAPITOL BUILDING

An Act providing for the levying of a tax to create a fund for the purpose of erecting a new capitol building, and equipping same, at the City of Bismarck, North Dakota.

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

§ 1. There shall be levied upon each dollar of assessed valuation of all taxable property within this state, for the years 1930, 1931, 1932, 1933, 1934, 1935, and 1936, and to be paid during each of said years, one twentieth of one mill for 1930, one tenth of one mill for 1931, 1932, 1933, 1934, 1935, and 1936, on every dollar of taxable property, and all such revenues as may be collected under such levy, including all interest collected, shall be paid into a special fund to be known as the "State Capitol Building Fund". Such fund shall be used only for the purpose of erecting a new capitol building and equipping same, in the City of Bismarck, North Dakota. All moneys arising from such tax for said purpose shall be expended therefor as the legislature may direct.

Approved March 9, 1929.

CHAPTER 237

(H. B. No. 22—Mau and Carter.)

TAX LEVY COUNTY PUBLIC IMPROVEMENTS

An Act to permit the levy and collection of a tax for the purpose of defraying the cost of public improvements in counties; providing the manner in which such authority may be exercised; providing for the protection and disbursement of funds derived thereby; providing a time within which such improvement shall be undertaken.

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

§ 1. The county commissioners in any of the several counties of this state may, and when petitioned by twenty per cent of legal voters of said county as shown by the last general election must, call an election of the voters of such county to vote upon the ques-

tion of levying a tax to create a fund for the erection or construction of a public improvement for the use of the inhabitants of said county.

§ 2. The resolution and order of the county commissioners calling such election shall contain a general description of the precise improvement for which said tax is to be levied and collected, the maximum number of years over which said tax shall be spread, the maximum rate per mill per annum to be levied, and the time when such election shall be called. Notice of the adoption of such resolution and of the election to be held in pursuance thereof shall be published by the county auditor at the time notice of the primary law or general election to be held concurrently is published.

§ 3. The ballot to be submitted at such election shall be prepared by the county auditor and shall be in the following form:

“Shall a levy of not to exceed mills be made annually for a period of (not to exceed 10 years), for the purpose of erection of the following public improvement

Yes	
No	

and there shall be inserted in the blank space in such question by the county auditor appropriate words describing the nature of the improvement to be undertaken.

§ 4. Such election shall be held at the same time as the next ensuing state primary or general election is held. The votes cast upon such questions shall be returned and canvassed as other votes cast at such election are returned and canvassed; and the result of such election shall be certified and spread upon the minutes of the proceedings of such county commissioners at the next regular or special meeting thereafter.

§ 5. If sixty per cent of the votes cast at such election upon such questions be in favor of the tax levy, then there shall be levied, spread, and collected as other taxes are collected in said county, an annual tax in such amount as shall be determined by resolution of the board of commisioners.

§ 6. No tax levied pursuant to authority hereunder for any year, shall exceed in amount equal to one mill on the dollar of taxable property within such county, nor shall such tax be levied for more than ten years for any one improvement.

§ 7. Said tax, when collected, shall be held to be a special trust fund for the erection or construction of the public improvement for which it was levied, and it is hereby made the duty of the county treasurer to deposit such funds as collected to the credit of the county in the Bank of North Dakota, or other legal designated depositories, provided depositories other than the Bank of North Dakota shall furnish surety company bonds for the protection of such funds.

§ 8. Before the expiration of ten years from the first day of December of the year the first annual levy shall have been made, the county commissioners shall procure such ground as may be necessary for a site, secure plans and specifications for such work of improvement, enter into necessary contracts for the erection or construction thereof, and do all things necessary to carry into effect the purpose of said tax. The necessary resolutions, notices and manner of advertising for bids and entering into contracts shall be done in the manner prescribed by general law.

§ 9. Said funds shall be paid out for the construction or erection of such public improvement upon order of the county commissioners, provided, that any balance remaining in such fund after the payment of all costs and expense incident to the erection or construction of such public improvement shall be covered into the general fund of said county.

§ 10. Any officer or person having custody of said funds who diverts, transfers, disburses, or in any manner uses said funds contrary to the purposes herein specified, shall be deemed guilty of misappropriation of funds, and, in addition to other punishments prescribed by law, shall be liable on his official bond for all sums so misappropriated, to be recovered by an action in the name of the county as plaintiff in the district court of the county.

§ 11. All laws or parts of laws in conflict with the provisions of this act are hereby repealed.

Approved March 11, 1929.

CHAPTER 238

(S. B. No. 70—Murphy.)

TAX LEVY MUNICIPAL BAND

An Act to amend and re-enact Section 4 of Chapter 270, Session Laws of the State of North Dakota for the year 1927.

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

§ 1. AMENDMENT.] Section 4 of Chapter 270 of the Session Laws of the State of North Dakota for the year 1927, is hereby amended and re-enacted to read as follows:

§ 4. Said levy shall be deemed authorized if a sixty per cent of the votes cast at said election be in favor of the proposition. The governing body of said city or village may thereupon include in their budget an appropriation for the maintenance or employment of a band for municipal purposes and may levy to cover such appropriation in this annual tax levy. The amount of levy to cover such appropriation together with the aggregate amount for general purposes shall be within the limitation prescribed by Sections 2163a1 and 2163a6 of the Supplement to the Compiled Laws of 1913, or acts amendatory thereof. The amount appropriated for the maintenance or employment of a band for municipal purposes shall in no case exceed four thousand dollars and shall further be subject to the following limitations:

(a) In cities or villages having a net assessed valuation not in excess of five million dollars, the amount appropriated shall not exceed one mill on the net assessed valuation of the property of the city or village.

(b) In cities or villages having a net assessed valuation of over five million dollars and not in excess of fifteen million dollars the amount appropriated shall not exceed one-half of one mill on the net assessed valuation of the taxable property of the city or village.

(c) In cities or villages having a net assessed valuation in excess of fifteen million dollars, the amount appropriated shall not exceed one-fourth of one mill on the net assessed valuation of the taxable property of the city or village.

Approved March 6, 1929.

CHAPTER 239

(S. B. No. 182—Patten.)

INCOME TAX NON-RESIDENT INDIVIDUALS—SITUS •

An Act to amend and re-enact Section 2346a3 of the Supplement to the Compiled Laws of 1913; providing for the assessment, levy and collection of an income tax from non-resident individuals upon all net income received from property owned or from business transacted in this state, and fixing the situs of the income of non-resident individuals.

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

§ 1. AMENDMENT.] That Section 2346a3 of the Supplement to the Compiled Laws of 1913 is hereby amended and re-enacted to read as follows:

§ 2346a3. (1) The tax imposed by this act shall be levied, collected and paid annually with respect to his entire net income not hereinafter exempted received by every non-resident from property owned or from business carried on in this state. Such tax shall first be levied, collected and paid in the year 1929 upon and with respect to the taxable income for the calendar year 1928, and for any taxable year ending during the year 1928, and at the rates specified in Section 2346a11 with respect to net income of residents of North Dakota. The tax imposed herein shall apply to the entire net income received from all property owned or from business carried on in this state by natural persons not residents of the state; provided, that income from a merchantile or manufacturing business, rentals, royalties or operation of any farm, mine or quarry or from the sale of real or personal property for the purposes of taxation shall follow the situs of the property or business from which derived; and all other income including that derived from personal services, professions and vocations, and from land contracts, mortgages, stocks, bonds and securities shall follow the residence of the non-resident recipient. Non-residents engaged in business within and without the state shall be taxed only upon such income as is derived from business transacted and property located within the state which may be determined by a separate accounting of such income where such accounting would reflect correctly the income fairly attributable to North Dakota and when made in the form and manner prescribed by the tax commissioner, but otherwise shall be determined in the manner specified in Section 2346a6 of the Supplement to the Compiled Laws of 1913 with respect to the allocation of income of corporations engaged in business within and without the state.

(2) The provisions of law applicable to the assessment, levy and collection of income taxes from resident individuals, as to gross income, deductions allowed, items not deductible, personal exemptions and all other provisions not inconsistent with the provisions of this section shall govern the levy and collection of income taxes from non-resident individuals.

§ 2. EMERGENCY.] This act 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 7, 1929.

CHAPTER 240

(S. B. No. 178—Fowler.)

TIME LIMIT FOR REVISION INCOME TAX

An Act to amend and re-enact Section 2346a34 and Section 2346a37, Supplement to the Compiled Laws of 1913, relating to time in which to apply for revision of income tax.

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

§ I. AMENDMENT.] That Section 2346a34 of the Supplement to the Compiled Laws of 1913, be hereby amended and re-enacted to read as follows:

§ 2346a34. The tax appearing on the face of the return shall be paid at the same time the report is filed. The taxpayer shall attach to his report his remittances for the amount of tax due as computed by him. Provided that the payments may be made in quarterly installments, and if paid in installments the first installment shall be paid at the time fixed by law for filing of the return; the second installment shall be paid on the fifteenth day of the third month; the third installment on the fifteenth day of the sixth month; and the fourth installment, on the fifteenth day of the ninth month after the time fixed by law for filing the return. The tax commissioner, shall as soon as possible after the receipt of the report and remittance issue a receipt to the taxpayer for the amount of his remittance. Such receipt shall not be a receipt in full for the amount of tax due, but only for the remittance made by the taxpayer. The tax commissioner shall proceed to audit the reports of taxpayers and not later than three years after the due date of the return assess the tax and if any additional tax is found due, shall notify the taxpayer in detail as to the reason for the increase. The taxpayer shall be given thirty days from the date of such notice to

file objections to the additional tax, either in person or by attorney. Unless such objections are filed, said tax shall become delinquent forty-five days after notice. If objections are filed, the objections shall be considered by the tax commissioner who may call for any further information from the taxpayer that he deems necessary to make a fair determination. After making a re-determination of the disputed tax, the tax commissioner shall notify the taxpayer of his findings and the amount of tax as re-determined shall become delinquent fifteen days after notice. Interest at the rate of one per cent (1%) a month shall be computed upon all delinquent income tax payments with an additional penalty of five per cent (5%) at the time such tax becomes delinquent. Any unpaid taxes shall be collected by the procedure outlined in Chapter 58, Special Session Laws of 1919, for the collection of delinquent taxes.

§ 2. AMENDMENT.] That Section 2346a37 of the Supplement to the Compiled Laws of 1913 be hereby amended and re-enacted to read as follows:

§ 2346a37. A taxpayer may apply to the tax commissioner for revision of the tax assessed against him at any time within three years from the due date of the return or from the date of the notice of the assessment of any additional tax. The tax commissioner shall grant a hearing thereon, and if upon such hearing, he shall determine that the tax is excessive or incorrect, he shall resettle the same according to law and facts and adjust the computation of the tax accordingly. The tax commissioner shall notify the taxpayer of his determination and shall cause to be refunded to the taxpayer the amount, if any, paid in excess of the tax found by him to be due. If the taxpayer has failed, without good cause, to file a return within the time prescribed by law, or has filed a fraudulent return, or, having filed an incorrect return, has failed, after notice, to file a proper return, the tax commissioner shall not reduce the tax below double the amount for which the taxpayer is found to be properly assessed. Refund claims properly verified and approved by the tax commissioner shall be audited and paid as are other claims against the state.

§ 3. That all acts and parts of acts in conflict herewith are hereby repealed.

Approved March 4, 1929.

CHAPTER 241

(S. B. No. 165—Renauld by Request.)

COLLECTION REAL AND PERSONAL PROPERTY TAXES

An Act to amend and re-enact Sections 2152, 2154 and 2186 of the Compiled Laws of North Dakota of 1913 and Sections 2166 and 2185 of the Supplement to the Compiled Laws of 1913 relating to the duties of the county auditors; the date of delivery of the tax lists to the county treasurer; real estate tax liens; the collection of personal property taxes, when due, when delinquent, penalties, interest and collection thereof by distress; and collection of real estate taxes, date when due, date when delinquent, penalties and interest thereon.

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

§ 1. AMENDMENT.] Section 2152 of the Compiled Laws of North Dakota of 1913, is hereby amended and re-enacted to read as follows:

§ 2152. TAX LIST MADE OUT BY COUNTY AUDITOR: TAX LIST FORM.] As soon as practicable after the taxes are levied, the county auditor shall make out the tax lists according to the prescribed form, and to correspond with the assessment districts of the county. The rate per cent necessary to raise the required amount of the various taxes shall be calculated on the assessed valuation of property as determined by the state board of equalization; but in calculating such rates, no rates shall be used resulting in any fraction of less than one-half of one-tenth of a mill; and in extending any tax whenever it amounts to the fractional part of a cent it shall be made one cent. The tax list shall also be made out to correspond with the assessment book, in reference to ownership and description of property, with columns for the valuation and for the various items of tax included in the total amount of all taxes set down opposite such description of property. The amount of special taxes shall be entered in the proper columns but the general taxes may be shown by entering the rate per cent of each tax at the head of the proper columns without extending the same, in which case a schedule of the rates per cent of such taxes shall be made on the first page of each tax list; such tax lists shall also show in a separate column the years for which any piece or parcel has been sold for taxes; if the same has not been redeemed or deeded for such taxes. The county auditor shall on or before the 31st day of December in each year, make and transmit to the state tax commissioner in such form as the state tax commissioner may prescribe, a complete abstract of the tax list of his county.

§ 2. AMENDMENT.] Section 2154 of the Compiled Laws of North Dakota 1913, is hereby amended and re-enacted to read as follows:

§ 2154. TAX LISTS: WHEN DELIVERED TO TREASURER.] On or before the 31st day of December in each year, the county auditor shall deliver the tax lists of the several districts of the county to the county treasurer, taking his receipt therefor. Such lists shall be authority for the county treasurer to receive and collect taxes therein levied. The county auditor shall immediately upon delivering such lists to the county treasurer, charge such treasurer with the amount of the lists so delivered to him as shown in the recapitulation thereof in a book prepared for that purpose and he shall also charge such treasurer in such tax list account with all additional assessments made after such lists are delivered and shall credit him with all amounts collected thereon and such other amounts as may be lawfully deducted from such lists.

§ 3. AMENDMENT.] Section 2166 of the Supplement to the Compiled Laws of 1913, is hereby amended and re-enacted to read as follows:

§ 2166. DELINQUENT PERSONAL PROPERTY TAXES: WHEN DUE: PENALTY: DISTRESS.]

(a) All personal property taxes shall become due on the 31st day of December in each and every year for which the tax was levied, and become delinquent on the first day of March next after they become due, and thereupon a penalty of five per cent shall attach and be charged upon all delinquent taxes, and thenceforth there shall be a charged interest at the rate of three-fourth of one per cent per month of the original amount of the tax until the same is paid.

(b) The county treasurer shall, during the month of January preceding the time when such tax shall become delinquent, give notice of the fact by mailing to each person, firm or corporation, a written notice stating the amount of tax due from each person, firm or corporation, and the date when the same shall become delinquent.

(c) On or before the first day of September in each year the county treasurer shall make out a list of the unpaid delinquent personal property taxes, in the same order as they appear on the tax list, and shall, on or before the fifteenth day of September thereafter, notify by mail each of the delinquents that unless such taxes are paid on or before the fifteenth day of October, such taxes will be placed in the hands of the sheriff for collection, and the county treasurer shall on said fifteenth day of October deliver such list of delinquent taxes

to the sheriff of his county, who shall immediately proceed to collect all such delinquent personal property taxes, and if such taxes are not paid upon demand, he shall distrain sufficient goods and chattels belonging to the person, firm or corporation charged with such taxes if found within the county to pay the same, with the said penalty of five per cent and all accruing interest and costs, and shall immediately proceed to advertise the same by posting notices in three public places in the town or district where such property is taken, stating the time when, and the place where, such property shall be sold, and the amount of said delinquent tax, together with the penalty and accruing interest, which place of sale shall be at the residence or place of business of the person, firm or corporation whose goods have been distrained, or in case such person, firm or corporation has no residence or place of business within the town or district where such goods have been distrained then at the place of sale of mortgaged chattel property within such town or district and no personal property shall be exempt from distraint and sale, except personal property consisting of household furniture, wearing apparel and necessary provisions belonging to the head of a family to the value of three hundred dollars, and if the tax for which said property is distrained, together with penalty and accrued interest and costs is not paid before the day appointed for such sale, which shall not be less than ten days after the taking of such property, such sheriff or his deputy shall proceed to sell such property at public vendue, or so much thereof as shall be sufficient to pay such taxes, penalty and costs of such distress and sale, and any surplus arising from said sale shall be disposed of as in case of sale of mortgaged personal property.

(d) If a person charged with a personal tax has not sufficient property which the sheriff can find to distrain to pay such tax, but has moneys or credits due him or coming due him for any person, corporation, governmental agency, municipality or from the state, known to the sheriff, or if such tax payer has removed from the state or county and has property or moneys or credits due him or coming due him in the state known to the sheriff, in every such case the sheriff shall collect such personal tax and penalty by distress, attachment or other process of law. The remedy provided by this paragraph is in addition to any other remedy provided by law for the collection of personal taxes.

(e) On the first day of each month after receiving such list from the county treasurer such sheriff shall make out and file with the county treasurer a statement of the personal property tax collected by him since the date of his last preceding statement, giving the name, town or district and postoffice address of each person, firm or corporation from whom collected, and the amount of the

tax, including the penalty and interest collected from each, and at the same time turn over to the county treasurer the moneys collected as shown by such statement, and the treasurer shall issue receipts for the same as provided in Section 2157 of the Compiled Laws of North Dakota 1913, mailing such receipt to the person, firm or corporation entitled thereto. Such sheriff shall, at the time of filing such statement with the county treasurer, file a duplicate thereof with the county auditor, and shall on or before the first day of January next after receiving such list from the county treasurer, file his annual statement of taxes collected as herein provided, together with the list of uncollected taxes as provided in Section 2169, of the Compiled Laws of North Dakota 1913, or amendments thereto; provided that all personal property taxes shall be a lien upon the property assessed from and after the date upon which assessment is made and it shall be the duty of the sheriff when any person to whom personal property shall have been assessed is, in his opinion, about to sell, barter or remove said property from the county, to collect such taxes at any time after the property shall have been assessed. The sheriff shall retain in his office the original delinquent tax list furnished him by the county treasurer, and it shall be his duty to collect at any time any taxes remaining uncanceled, unabated, or unpaid, and on sending his notice for each succeeding year he shall include any unpaid balances together with interest, penalties and costs, with the new delinquent amount, and they shall be collected in the same manner as the current delinquent tax.

§ 4. AMENDMENT.] Section 2185 of the Supplement to the Compiled Laws of 1913, is hereby amended and re-enacted to read as follows:

§ 2185. REAL ESTATE TAXES DUE AND DELINQUENT: WHEN PENALTY AND INTEREST.] All real estate taxes including hail insurance taxes, both flat and indemnity, and yearly installments of special assessment taxes on real estate, shall become due on the 31st day of December of the year for which the taxes are levied. One-half of the real estate taxes and all hail insurance taxes, both flat and indemnity, and all yearly installments of special assessment taxes shall become delinquent on the first day of March following, and if not paid before that date they shall be subject to a penalty of five per cent (5%), and on the fifteenth day of October following to an additional penalty of three per cent (3%); provided, that general taxes on real estate, but not hail insurance taxes nor special assessments, may be paid in two equal installments. The second half may be paid at any time up to and including the fifteenth day of October without penalty and if not paid on or before that date a penalty of five per cent (5%) shall be added thereto. Mortgagees

and other lien holders, excepting owners of tax sale certificates, shall have the same right as the land owner to pay taxes in installments at any time after they become due. Owners of tax sale certificates shall not be permitted to pay taxes in installments but may pay the entire tax at any time after the first installment becomes delinquent. During the first fifteen days of delinquency, from March 1st to 15th inclusive, owners of tax sale certificates and also other lien holders or the owner of the land may pay taxes without penalty and upon any portion thereof provided the entire tax is paid. If the first installment has been paid, but the second installment remains unpaid after October 15th, the tax sale certificate holder may pay it but he must pay also the penalty of five per cent (5%). The penalties prescribed in this Section shall be cumulative and shall be charged and collected accordingly without being specially added or noted on the tax list.

§ 5. AMENDMENT.] Section 2186 of the Compiled Laws of North Dakota, 1913, is hereby amended and re-enacted to read as follows:

§ 2186. TAXES A PERPETUAL LIEN. VENDOR AND VENDEE.] Taxes upon real property are hereby made a perpetual paramount lien thereupon against all persons and bodies corporate, except the United States and the state, and taxes due from any person upon personal property shall be a lien upon any and all personal property owned by him at the time the tax became due, or which may be subsequently acquired by him, and the title to any of which personal property so owned or subsequently acquired remains in him at the time of the distraint. All taxes, shall, as between vendor and purchaser, become a lien upon real estate on and after the 31st day of December in each year.

Approved March 9, 1929.

CHAPTER 242

(S. B. No. 166—Renald by Request.)

**PERSONAL PROPERTY TAXES LIEN ON REAL ESTATE, WHEN,
TAX SALE LIST**

An Act to amend and re-enact Sections 2174 and 2188 of the Compiled Laws of North Dakota, 1913, relating to collection of personal property taxes, making personal taxes a lien on real estate and relating to duties of county auditors and county treasurers.

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

§ 1. Section 2174 of the Compiled Laws of North Dakota, of 1913, is hereby amended and re-enacted to read as follows:

§ 2174. TREASURER'S RECORD, LIEN FOR DELINQUENT PERSONAL TAXES.]

(a) DELINQUENT PERSONAL TAXES; TREASURER TO KEEP RECORD.] The treasurer shall, on or before September 1st of each year, enter in a book to be kept in his office as a part of the records thereof and to be known as the "Delinquent Personal Tax List" all delinquent personal taxes of any preceding year.

(b) WHAT TO CONTAIN.] Such entry of tax on the delinquent personal tax list shall give the names of delinquents alphabetically arranged according to taxing district in the same order as they appear on the tax lists, together with amounts of tax, and for what year or years and where property was located when assessed.

(c) CERTIFICATION OF LIST OF CANCELLED PERSONAL PROPERTY TAXES TO TREASURER.] Within ten days after the cancellation of any uncollectible delinquent personal property taxes as provided in section 2169, the auditor shall file a certified copy of such lists of cancellation with the county treasurer, who shall note on his "Delinquent Personal Tax Record" that such taxes have been cancelled.

(d) PERSONAL TAXES MADE A LIEN ON REAL ESTATE BY RESOLUTION OF COUNTY BOARD.] The board of county commissioners, immediately following the cancellation of uncollectible delinquent personal property taxes at its January meeting, as provided in section 2169, shall, by formal resolution, declare that all unpaid and uncanceled personal property taxes from and after the date of the extension and entry thereof as hereinafter provided constitute a lien on any real estate owned by the tax delinquent or which may thereafter be acquired by the tax delinquent, and shall in addition to such action make said tax a specific lien on a specific description

or on specific descriptions of real estate owned by the tax delinquent as of the date of the extension and entry thereof as hereinafter provided.

(e) EXTENSION OF LIEN BY AUDITOR.] The county auditor shall extend to and enter upon the tax list of the next preceding year, then in the hands of the county treasurer, in an appropriate column or columns for remarks opposite the descriptions of real estate designated by the board of county commissioners, belonging to any person, company or corporation owing such uncollected personal property tax, words showing the year or years for which the tax remains due and the principal sum of such tax. Such entry shall be made without regard to any prior payment of real estate taxes on said descriptions for the said preceding year. The county treasurer shall after the date of such entry be without authority to accept payment of the real estate tax on any such description without making collection at the same time of the said personal property tax extended as a lien against the same.

(f) ENTRY UPON ANY SUBSEQUENT LIST.] When the delinquent afterwards acquires any real property in the county such delinquent taxes may be entered in like manner upon any subsequent tax list; and from the time of such entry the delinquent taxes so entered shall become a lien on any real property of the delinquent against which they are so entered in the same manner and to the same extent as the taxes upon such real property.

(g) COLLECTION TO BE ENFORCED BY SALE OF REAL ESTATE AGAINST WHICH WAS EXTENDED.] Collection of personal property taxes entered as a lien on real estate shall be enforced by the sale of lands against which they are so entered at the next annual tax sale of real property for taxes and in the same manner as if originally charged against such lands.

§ 2. Section 2188 of the Compiled Laws of North Dakota, 1913, is hereby amended and re-enacted to read as follows:

§ 2188. Whenever any taxes are paid, the treasurer shall immediately write upon the tax list opposite the name or description in suitable column or columns for remarks, the word "paid", with the number of the receipt given and the date when the tax was paid and the name of the person by whom the tax was paid.

On or before the tenth day of November in each year the county treasurer shall make and deliver to the county auditor a certified list of delinquent real estate taxes of the preceding year and the name of the party to whom assessed. The county auditor shall compare the same with the statement receipted for by the treasurer on file in the auditor's office and each tract or lot of real property

against which the taxes or any part thereof remain unpaid shall be offered for sale at the annual tax sale on the second Tuesday in December unless paid prior to such sale.

It shall be the duty of the county treasurer before the opening of the tax sale in each year, to correct the list of delinquent real estate taxes previously certified to the auditor and to strike off from such list all descriptions of property upon which the taxes were paid subsequent to the making of said list and the said descriptions shall not be offered for sale.

Approved March 9, 1929.

CHAPTER 243

(S. B. No. 145—Cain.)

TAX INFORMATION BY COUNTY AUDITOR

An Act to require the county auditor to furnish tax information in certain cases.

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

§ 1. That whenever a mortgagee or assignee of a mortgagee, holding or owning one or more mortgages upon real estate in any county in this state, shall furnish to the County Auditor of such county a description of the lands covered by such mortgage or mortgages on a sheet or sheets of paper provided therefor by such mortgagee or assignee, and shall request such county auditor to search the records of his office, and to indicate on such sheet or sheets of paper, in the appropriate space or spaces so provided therefor, the amount of the unpaid general taxes, if any, standing against the lands therein described, for each given year or years, as shown by such records, and to indicate that such general taxes are paid for any given year or years, if such be the fact, it shall be the duty of such county auditor to make such search of his records and to set down on such sheet or sheets of paper, in the appropriate space or spaces thereon provided, the amount of the unpaid general taxes for each given year or years, exclusive of interest or penalty, standing against the lands therein described. If the general taxes for any given year or years are paid, he shall write on such sheet or sheets of paper, in the appropriate space or spaces provided thereon, the word "paid". The county auditor shall not be required to make any certificate as respects the information so furnished, and he shall receive no fee for furnishing such information or rendering such service.

Approved March 6, 1929.

CHAPTER 244

(S. B. No. 138—Brant.)

NEGOTIABLE PAPER ACCEPTABLE FOR TAXES

An Act to authorize county treasurers and other officials charged with the duty of collecting public moneys to accept checks, bank drafts and money orders in payment of taxes, subject to the due honor thereof, and relating to the manner of making collection thereon, and repealing Section 2162 of the Compiled Laws of 1913 and all acts and parts of acts in conflict herewith.

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

§ 1. NEGOTIABLE PAPER MAY BE ACCEPTED FOR TAXES.] The county treasurer and other officials charged with the duty of collecting public moneys may in their discretion accept bank checks and drafts, express and postoffice money orders in payment of any tax, assessment, fee or license.

§ 2. ACCEPTANCE SUBJECT TO PAYMENT.] The acceptance, however, of any check, draft or money order shall be subject to collection, and shall constitute a payment of the tax, assessment, fee or license for the payment of which it was tendered only when it shall have been duly honored and paid.

§ 3. DEPOSIT AND REFUND.] The county treasurer or other public officials accepting checks, drafts or money orders as in this Act provided, shall deposit the same in the manner provided by law. If thereafter any check, draft or money order be returned unpaid to the bank with which it was deposited, such bank shall return such unpaid check, draft or money order to the officer who deposited the same; and if said amount had been included in any cashier's check given by said bank, such bank shall be entitled to a refund in the amount of such unpaid check, draft or money order.

§ 4. NOTICE OF CANCELLATION.] Whenever a cancellation of a credited payment shall be made in accordance with section two of this act, the officer making such cancellation shall make a record thereof in a book to be kept by him for that purpose. He shall give notice by registered mail to the person who attempted to make payment by such unpaid check, draft or money order of the cancellation of the payment by mailing the same to him at the post office address given on the tax records in his office and if no such address is given, then to his last known post office address. The validity of any tax assessment or license or of any penalties accruing thereto shall not be affected by any failure to give or irregularity in giving such notice.

§ 5. REFUND TO BALANCE BOOKS.] Whenever the collection as evidenced by the treasurer's receipt has been entered upon the treasurer's collection register and the books closed for the month so that the treasurer cannot void the receipts issued for such bank checks and drafts, express and postoffice money orders received in payment of any tax, assessment, fee or license, without disturbing the balances for the month, the county auditor shall upon the application of the county treasurer issue a refund voucher to balance such voided receipts, and such application shall be sufficient without the approval of any governing board or the state tax commissioner. The county treasurer shall within twenty-four hours after the receipt of notice of non-payment of credited items or checks, make entry in red ink upon the tax list or other record wherein credit has been entered and likewise upon the collection register, and the receipt so voided, which entry shall be substantially as follows: "Receipt voided on account of bad check and auditor's refund voucher No..... issued to balance as provided by law."

§ 6. REPEAL.] Section 2162 of the Compiled Laws of 1913 and all acts and parts of acts in conflict with this act are hereby repealed.

Approved March 7, 1929.

CHAPTER 245

(S. B. No. 42—Tofsrud.)

ABATEMENT TO PURCHASERS TAX SALE CERTIFICATES
STATE LANDS

An Act to amend and re-enact Section 2193a of the Supplement to the 1913 Compiled Laws as amended and re-enacted by Chapter 264 of the Session Laws of 1927 relating to abatement to purchasers of tax sale certificates on state lands.

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

§ 1. AMENDMENT.] Section 2193a of the Supplement to the 1913 Compiled Laws as amended by Chapter 264 of the Session Laws of 1927 is hereby amended and re-enacted to read as follows:

§ 2193a. Whenever any land sold under contract by the State of North Dakota has been sold for taxes and a tax certificate has been issued and the said contract for sale has thereafter been cancelled by the State of North Dakota, the holder of said unpaid tax certificate upon due and proper application in the manner now pro-

vided by law, shall be entitled to an abatement and refund thereof as well as for any subsequent taxes paid on said land by such certificate holder, together with interest thereon at the rate of six per cent (6%) per annum; and if such land has been bid in by the county at tax sale, all taxes against such land shall be abated. Provided that the provisions hereof shall also apply to hail indemnity and flat taxes.

§ 2. If any portion of this act shall be declared to be unconstitutional, it shall not affect the other part or portion thereof.

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

Approved March 4, 1929.

CHAPTER 246

(S. B. No. 6—Whitman.)

TAX EXEMPTION NON-PROFIT CORPORATION AT STATE
EDUCATIONAL INSTITUTION

An Act to exempt from taxation, the property owned or hereafter acquired by corporations, organized or hereafter created for the purpose of promoting athletic and educational needs and uses, at any state educational institution and not organized for profit.

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

§ 1. That real and personal property now owned or hereafter acquired by any corporation organized or hereafter created under the laws of the State of North Dakota, for the purpose of promoting athletic and educational needs and uses at any state educational institution in the State of North Dakota and not organized for profit, is exempt from all taxation.

§ 2. All acts and parts of acts inconsistent herewith are hereby repealed.

Approved March 4, 1929.