

SENATE BILL NO. 2334

Introduced by

Senators Fischer, Andrist, Klein

Representatives Devlin, Maragos, Weisz

1 A BILL for an Act to create and enact two new sections to chapter 57-20 of the North Dakota
2 Century Code, relating to notice and preservation of tax liens; to amend and reenact sections
3 11-11-13, 11-13-07, 11-27-08, 15-08-19, 21-02-01, 32-31-01, 32-31-02, 32-31-03,
4 subsection 60 of section 40-05-01, section 40-25-03, subsection 3 of section 57-02-08, sections
5 57-20-13, 57-22-22, 57-23-07, 57-25-01, 57-25-02, 57-25-04, 57-25-05, 57-28-01, 57-28-02,
6 57-28-03, 57-28-04, 57-28-05, 57-28-06, 57-28-07, 57-28-08, 57-28-09, 57-28-10, 57-28-14,
7 57-28-18, 57-28-19, 57-28-19.1, 57-28-22, 57-28-23, 57-29-01, 57-45-05, 57-45-11, 57-45-12,
8 61-01-21, 61-07-05, 61-09-15, 61-16.1-31, 61-21-52, and 61-35-87 of the North Dakota Century
9 Code, relating to sales of property for delinquent taxes and provisions for foreclosure of tax
10 liens for unpaid property taxes; to repeal sections 40-25-04, 40-25-05, 40-25-08, 40-25-09,
11 40-25-10, 57-20-24, 57-20-25, chapters 57-24, 57-26, 57-27, and section 57-28-21 of the North
12 Dakota Century Code, relating to sales of property for delinquent taxes; and to provide an
13 effective date.

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

15 **SECTION 1. AMENDMENT.** Section 11-11-13 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **11-11-13. Board to ascertain amount of ~~redemption~~ satisfaction of tax lien**
18 **money.** The board of county commissioners, at the first meeting of the board each year, shall
19 examine the county treasurer's satisfaction of tax sale lien book and stub receipts and ascertain
20 the amount of ~~redemption~~ satisfaction of tax lien money in the treasury, and shall require the
21 treasurer to account for the same.

22 **SECTION 2. AMENDMENT.** Section 11-13-07 of the North Dakota Century Code is
23 amended and reenacted as follows:

1 **11-13-07. County auditor to keep tax deed record.** The county auditor shall keep a
2 record to be known as the tax deed record in which the auditor shall enter ~~the date upon which~~
3 ~~each certificate was presented for tax deed, with~~ a description of the land ~~covered thereby~~
4 foreclosed for unsatisfied tax lien, the date when the notice of ~~expiration of the time for~~
5 ~~redemption~~ foreclosure of tax lien was issued ~~thereon~~, the date and description of the return of
6 service of such notice, and the date when the tax deed is issued.

7 **SECTION 3. AMENDMENT.** Section 11-27-08 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **11-27-08. Board of county commissioners may set aside county tax deed lands**
10 **for park purposes.** The board of county commissioners may set aside and transfer to any
11 municipality for park and recreational purposes any land which the county has acquired through
12 tax ~~sale~~ lien foreclosure proceedings and upon which tax deeds have been issued to the county
13 if the land is suitable and fit for use as a public park or recreational center. The transfer may be
14 made without consideration or for such consideration as the board deems sufficient. The board
15 also may establish such property as a county park or attach the same to and make it a part of a
16 county park already established. All unpaid taxes against the land shall be canceled, and the
17 land so set aside shall be withdrawn from the list of property for sale by the county.

18 **SECTION 4. AMENDMENT.** Section 15-08-19 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **15-08-19. Taxation of ~~and sale for taxes of land~~ foreclosure of tax lien on**
21 **property sold by state on deferred payment contract.** ~~Lands~~ Property contracted to be sold
22 by the state ~~are~~ is subject to taxation from the date of the contract, and the taxes assessed
23 thereon must be collected and enforced in the same manner as taxes against other ~~lands~~
24 property. If the contract is not canceled or if the contract has been canceled and the period of
25 redemption has not yet run, the ~~lands~~ property upon which taxes are delinquent ~~may be sold for~~
26 ~~taxes as other lands are sold~~ is subject to foreclosure of tax lien. After ~~the expiration of three~~
27 four years from the date ~~of the tax sale certificate~~ became due, and after notice of ~~expiration of~~
28 ~~the period of redemption~~ foreclosure has been given as required in title 57, ~~and after expiration~~
29 ~~of the time to redeem given under such notice~~ on the date of foreclosure, the purchaser at the
30 ~~tax sale~~ county shall acquire such rights and interests as belonged to the holder and owner of
31 the contract issued under the provisions of this chapter and only such rights. ~~The holder of the~~

1 ~~tax sale certificate may present the same, together with a certificate from the county auditor that~~
2 ~~notice of expiration of the time for redemption has been given and that no redemption has been~~
3 ~~made, to the commissioner of university and school lands, and thereupon may have his name~~
4 ~~substituted in the contract for that of the original holder and owner of the contract as the~~
5 ~~assignee of such original holder and owner, upon condition that he shall make payment of any~~
6 ~~principal or interest then in default under the contract of sale. If the lands are sold to the county~~
7 ~~for taxes, the~~ The county may assign its tax sale certificate rights and interest at any time, and
8 ~~the assignee shall have the rights given by this section to the holder of a tax sale certificate~~
9 ~~issued to an individual~~ county. No tax deed may be issued upon any tax sale certificate while
10 the legal title to the lands remains in the state of North Dakota.

11 **SECTION 5. AMENDMENT.** Section 21-02-01 of the 1997 Supplement to the North
12 Dakota Century Code is amended and reenacted as follows:

13 **21-02-01. Definitions.** In this chapter unless the context or subject matter otherwise
14 requires:

- 15 1. "Political subdivision" means a local governmental unit created by statute or by the
16 Constitution of North Dakota for local governmental or other public purposes.
- 17 2. "Revenues" means any of the following:
 - 18 a. Uncollected taxes.
 - 19 b. Amounts to be received from a distribution of federal moneys, including
20 currently existing bureau of Indian affairs contracts.
 - 21 c. Amounts to be received from a distribution of moneys pursuant to a state
22 appropriation or a state statutory or constitutional provision.
- 23 3. "Uncollected taxes" means taxes for the year during which a certificate of
24 indebtedness is issued and the preceding four years that have been levied but
25 from which moneys have not come into the public treasury ~~either~~ by payment or by
26 ~~tax sale~~ satisfaction of tax lien, exclusive of tax levies dedicated to the payment of
27 principal of and interest on outstanding evidences of indebtedness.

28 **SECTION 6. AMENDMENT.** Section 32-31-01 of the North Dakota Century Code is
29 amended and reenacted as follows:

30 **32-31-01. Jurisdiction of district court in foreclosure of tax lien.** In any case in
31 which the owner of real estate has been sold at tax sale given notice of tax lien under chapter

1 57-20 for general taxes, for special assessments, ~~for hail indemnity taxes,~~ for assessments of
2 irrigation districts, for drain assessments, or for both general taxes and any such special taxes
3 or assessments, the district court of the proper county shall have jurisdiction in an action in
4 equity brought for that purpose to foreclose the lien of the delinquent taxes and assessments
5 for which such land was ~~sold~~ noticed and to enter judgment foreclosing the same and
6 decreeing that the same shall be sold under special execution in a manner similar to that
7 prescribed in case of the foreclosure by action of a mortgage or other lien upon real property.

8 If in such action it shall appear that the taxes or assessments, ~~or the tax certificate,~~ are
9 invalid or void by reason of noncompliance with the law, the court shall determine the true and
10 just amount which the property attempted to be so assessed should pay to make the same
11 uniform with other taxes and assessments for the same purpose, and judgment must be
12 rendered and given against the property liable for such taxes or assessments without regard to
13 the proceedings had for the levy thereof, and such judgment shall be a lien upon the property
14 upon which the taxes or assessments shall have been levied, of equal force and effect as the
15 lien of the tax or assessment, and the lien of such judgment shall be enforced by the court in
16 such action.

17 **SECTION 7. AMENDMENT.** Section 32-31-02 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **32-31-02. Procedure in equity governs.** The ordinary procedure in an equity case
20 shall apply to an action brought under the provisions of this chapter. The court shall include in
21 its decree such provision as will permit such period of redemption from execution sale as may
22 be necessary to give to those entitled to redeem at least as long a period of redemption as they
23 would have had if the foreclosure of tax sale lien in question had been valid in all respects and
24 tax deed thereunder had been applied for at the earliest date permitted under statutes with
25 reference to procuring tax deeds under tax ~~sales~~ lien foreclosures. The remedy provided by
26 this chapter shall be cumulative and in addition to all other remedies and shall not be held to
27 impair or detract from any other remedy provided by any other statute or statutes.

28 **SECTION 8. AMENDMENT.** Section 32-31-03 of the North Dakota Century Code is
29 amended and reenacted as follows:

30 **32-31-03. Action brought by whom.** An action to foreclose a tax lien ~~may be brought~~
31 ~~by the purchaser at tax sale or the purchaser's successor in interest and such tax sale shall be~~

1 ~~held to have assigned, transferred, and conveyed to the purchaser and the purchaser's~~
2 ~~successors in interest the lien of the taxes included therein and all subsequent taxes paid by~~
3 ~~the purchaser or the purchaser's successors in interest. In case such land, at such tax sale,~~
4 ~~was struck off to the county, such action shall be brought in the name of the county in which~~
5 ~~such real estate is situated as plaintiff, and may be instituted by the attorney general or by the~~
6 ~~state's attorney of such county.~~

7 **SECTION 9. AMENDMENT.** Subsection 60 of section 40-05-01 of the 1997
8 Supplement to the North Dakota Century Code is amended and reenacted as follows:

9 60. Special improvement assessments - ~~Redemptions~~ Satisfaction. To make
10 assessments as limited by the laws of this state for local improvements on property
11 adjoining or benefited thereby; to collect the same in the manner provided by law;
12 and to redeem satisfy the tax lien on lands subject to special assessments after
13 ~~the sale thereof for delinquent general taxes; and to accept assignments of general~~
14 ~~tax sale certificates describing lands subject to special improvement assessments.~~

15 **SECTION 10. AMENDMENT.** Section 40-25-03 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **40-25-03. Sale Foreclosure of property where if only special assessment is**
18 **delinquent.** ~~In case~~ If there is no delinquent general tax against any parcel of real estate and it
19 is ~~sold~~ foreclosed for special assessments alone, the ~~certificate~~ notice of foreclosure of tax sale
20 ~~shall~~ lien must contain a statement to the effect that the ~~sale was~~ foreclosure is for special
21 assessments. If the ~~sale foreclosure~~ is made only for special assessments assessed by a
22 municipality or by a taxing district other than the county, the county auditor shall ~~declare the~~
23 ~~property sold~~ issue a tax deed to the municipality or taxing district which assessed such special
24 assessments ~~if there are no private bidders. The tax certificate and tax deed in such case shall~~
25 ~~be issued to the municipality or taxing district~~ in the usual course of procedure.

26 **SECTION 11. AMENDMENT.** Subsection 3 of section 57-02-08 of the 1997
27 Supplement to the North Dakota Century Code is amended and reenacted as follows:

28 3. All property belonging to any political subdivision, ~~except that land purchased by~~
29 ~~counties at tax sales shall be taxed until the period of redemption from such tax~~
30 ~~sale has been terminated.~~

1 **SECTION 12. AMENDMENT.** Section 57-20-13 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **57-20-13. Negotiable paper may be accepted for taxes and fees.** The county
4 treasurer, and other officials charged with the duty of collecting public moneys, in their
5 discretion, may accept bank checks, bank drafts, and express and post-office money orders in
6 payment of any tax, assessment, fee, or license. Upon payment of taxes, the treasurer shall
7 note on the tax receipt the method or manner, whether in cash, or by check, draft, or money
8 order, and a like notation must be made on the tax list, and in case of ~~redemption~~ satisfaction of
9 tax lien, the notation as to method or manner of payment must be made on the auditor's
10 satisfaction of tax sale lien record.

11 **SECTION 13.** A new section to chapter 57-20 of the North Dakota Century Code is
12 created and enacted as follows:

13 **Treasurer to give notice of tax lien by mail.** Between the first and fifteenth of
14 November of each year, the county treasurer shall mail to each owner of any lot or tract of land
15 for which taxes are delinquent a notice giving the legal description of that lot or tract and stating
16 that the taxes are delinquent and constitute a lien against the property. The notice must advise
17 the owner that unless the delinquent taxes and special assessments with penalty, interest, and
18 costs are paid by October first of the fourth year following the year in which the taxes became
19 delinquent, the county auditor will foreclose on the tax lien and issue a tax deed to the county.

20 **SECTION 14.** A new section to chapter 57-20 of the North Dakota Century Code is
21 created and enacted as follows:

22 **Mistake in name of owner does not invalidate tax lien.** A tax lien may not be
23 considered invalid for the reason that the real estate has been charged in any name other than
24 that of the rightful owner.

25 **SECTION 15. AMENDMENT.** Section 57-22-22 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **57-22-22. Extended personal property taxes to be collected with real estate taxes.**
28 Collection of personal property taxes entered and extended as a lien on real estate may be
29 enforced by ~~the sale of lands against which they are entered at any annual tax sale of such real~~
30 ~~property for taxes in the same manner as if originally charged against such lands as real estate~~
31 ~~taxes~~ foreclosure of tax lien. The lands to be ~~sold~~ foreclosed for personal property taxes

1 entered and extended thereon must be designated by resolution of the board of county
2 commissioners.

3 **SECTION 16. AMENDMENT.** Section 57-23-07 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **57-23-07. County commissioners may compromise tax.** ~~Whenever taxes~~ If tax on
6 any real estate ~~remain~~ remains unpaid and ~~the property has not been sold to any purchaser~~
7 ~~other than the county~~ after the second Tuesday in December in the year it is due, the board of
8 county commissioners, subject to the approval of the state tax commissioner, by reason of
9 depreciation in the value of the property or for other valid cause, may compromise with the
10 owner of the property by abating a portion of the delinquent taxes, ~~together~~ with any penalty
11 and interest on that portion, on payment of the remainder. The county commissioners may not
12 compromise the tax after the county auditor has issued a tax deed to the county.

13 **SECTION 17. AMENDMENT.** Section 57-25-01 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **57-25-01. Application for division of property for ~~redemption~~ satisfaction of tax**
16 **lien.** In case a mortgage, lien, or sheriff's certificate, or any other instrument conveying an
17 interest in property, affects only a part of the real estate taxed as a unit, any person interested
18 therein may petition the county auditor that ~~he~~ the person be permitted to pay taxes and ~~make~~
19 ~~redemption from~~ satisfy any outstanding tax sale lien as to that part only of the real estate in
20 which ~~he~~ the party is interested. Such petition must set forth the petitioner's interest in the
21 property. It must be verified and may be in the form of an affidavit. Immediately upon the
22 receipt of such petition, the county auditor shall consider the same and shall make a fair and
23 equitable valuation of the whole tract. ~~He~~ The county auditor shall apportion to the petitioner a
24 part of the taxes, interest, and penalty to be paid by ~~him~~ the petitioner in order to effect
25 ~~redemption~~ satisfaction, which must bear to the taxes, special assessments, interest, ~~and~~
26 penalty, and costs accrued on the whole tract the ratio which the value of the part or parcel of
27 land in which ~~he~~ the petitioner claims an interest bears to the value of the entire assessed tract
28 of land. Thereupon the county auditor, by ~~registered or~~ certified mail, shall notify all persons
29 interested in such real property according to the record, either as owner or as the holder of a
30 mortgage or other lien or sheriff's certificate, of the filing of such petition and of ~~his~~ the auditor's
31 assessment of such tract or parcel of land and of ~~his~~ the auditor's apportionment of the taxes

1 thereon, and the date when the same will be considered and heard by ~~him~~ the auditor. Such
2 hearing may not be less than ten days after the mailing of such notice. Upon the date set, the
3 county auditor shall hear the parties interested and shall assess such tract and apportion the
4 taxes thereon as ~~he~~ the auditor deems fair and equitable.

5 **SECTION 18. AMENDMENT.** Section 57-25-02 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-25-02. Appeal to board of county commissioners.** ~~In case~~ If any interested
8 person is dissatisfied with the determination of the county auditor as provided in section
9 57-25-01, ~~he~~ the person, within five days after such hearing and determination, shall file with
10 the auditor a written request that the matter be considered by the board of county
11 commissioners. The county auditor thereupon shall give notice, by ~~registered or~~ certified mail,
12 to all persons having an interest of record in such land, of the date when the matter will be
13 heard by the board. Such date may not be less than ten days after the mailing of such notice.
14 The hearing must be held at the next regular meeting of the board of county commissioners
15 after said ten-day period has expired. Upon the date fixed, the board of county commissioners
16 shall hear the parties interested and shall make a division of the assessed valuation of the tract
17 of land in question, and shall apportion the taxes thereon as said board deems fair and
18 equitable.

19 **SECTION 19. AMENDMENT.** Section 57-25-04 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **57-25-04. Tax deed proceedings to be stayed.** When any person files with the
22 county auditor a petition, as provided in this chapter, that ~~he~~ the person be permitted to pay
23 taxes, or to ~~make redemption from~~ satisfy any outstanding tax sale lien as to a part only of the
24 real estate sold, the issuance of a tax deed thereon and all proceedings preliminary thereto
25 must be stayed until the matter is finally determined and settled.

26 **SECTION 20. AMENDMENT.** Section 57-25-05 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **57-25-05. Procedure on payment of tax or redemption satisfaction of tax lien of**
29 **portion of tract.** Upon payment by the petitioner of the amount as finally apportioned, a tax
30 receipt or ~~certificate of redemption~~ satisfaction of tax lien, or both, as the case may be, must be
31 issued to such petitioner by the county auditor. ~~If there are outstanding tax certificates, the~~

1 ~~proper amount of the proceeds of such redemption must be paid to the holders of such~~
2 ~~certificates. The original certificate or certificates must be deposited with, and canceled by, the~~
3 ~~county auditor, and he shall issue in lieu thereof a tax sale certificate, which must be entitled~~
4 ~~"substitute tax sale certificate", and which must be in substantially the following form:~~

5 ~~SUBSTITUTE TAX SALE CERTIFICATE~~

6 I, _____, auditor of the county of _____ in the state of
7 North Dakota, do hereby certify that the following described real estate situated in said
8 county and state to wit: _____, together with other real estate, on the
9 _____ day of _____, 19____, was sold by me in the manner provided by law for
10 the delinquent taxes thereon for the year _____ to _____, he being the
11 bidder who agreed to accept the lowest rate of interest thereon from the date of sale
12 upon the amount of taxes, penalties, and interest paid by him, that the rate of interest
13 which said purchaser agreed to accept was _____ percent per annum, that
14 thereafter redemption was made from said tax sale of a portion of the real estate then
15 sold to said purchaser, that redemption of the above described real estate was not
16 made, and I further certify that unless redemption of such real estate is made in the
17 manner provided by law the said _____ or his assigns will be entitled to a deed of
18 the property above described on and after the _____ day of _____, 19____, on the
19 surrender of this certificate, and I further certify that there remains due and unpaid upon
20 this certificate the sum of \$_____ together with interest thereon at
21 _____ percent per annum from _____ day of _____, 19____.

22 In witness whereof I have hereunto set my hand and the seal of the county auditor
23 of said county this _____ day of _____, 19____.

24 _____
25 County Auditor of _____ County

26 Such substitute certificate has the same force and effect as the original certificate as to property
27 covered thereby. The county treasurer and county auditor shall make the proper entries in the
28 tax records of their offices showing the payment of the taxes and the cancellation of the original
29 certificate and the issuance of the substitute tax certificate.

30 **SECTION 21. AMENDMENT.** Section 57-28-01 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **57-28-01. Notice of ~~expiration of period of redemption~~ foreclosure of tax lien to**
2 **be given.** On or before June first in each year, the county auditor shall give notice of ~~the~~
3 ~~expiration of the period of redemption~~ foreclosure of tax lien for all property for which ~~three~~ four
4 or more years have passed since ~~the tax sale certificates were issued or deemed to have been~~
5 ~~issued to the county, which have not been redeemed or assigned~~ became due.

6 **SECTION 22. AMENDMENT.** Section 57-28-02 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **57-28-02. When ~~redemption period expires~~ tax lien is foreclosed.** The ~~period of~~
9 ~~redemption for property bid in by the county expires on~~ tax lien foreclosure date is October first
10 after the service of the notice of ~~the expiration of the period of redemption~~ foreclosure.

11 **SECTION 23. AMENDMENT.** Section 57-28-03 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **57-28-03. Contents of notice of ~~expiration of period of redemption~~ tax lien.** Notice
14 of ~~the expiration of the period of redemption~~ foreclosure of tax lien must include:

- 15 1. The description of the property.
- 16 2. ~~The amount for which the property was sold at tax sale.~~
- 17 ~~3.~~ 3. The amount of delinquent property taxes and special assessments, with penalties
18 and, interest, and foreclosure costs, for each year the tax year foreclosed.
- 19 ~~4.~~ 4. The amount of delinquent special assessments, with penalties and interest, for
20 each year.
- 21 ~~5.~~ 3. The total amount required to ~~redeem the property from tax deed proceedings, not~~
22 including costs yet to accrue satisfy the property tax lien.
- 23 ~~6.~~ 4. The time when the ~~redemption period will expire~~ foreclosure will occur.

24 **SECTION 24. AMENDMENT.** Section 57-28-04 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **57-28-04. Service of notice of ~~the expiration of the period of redemption~~**
27 **foreclosure of lien.** The county auditor shall ~~serve the notice of the expiration of the period of~~
28 ~~redemption for property sold to the county for taxes in the manner prescribed in subsections 2~~
29 ~~through 6 of section 57-27-02.~~

- 30 1. If the current assessment records show that a residential building is located on the
31 property, the county auditor shall deliver the notice of foreclosure of tax lien to the

- 1 sheriff who shall serve it or cause it to be served personally upon the owner, if
2 known to be a resident of this state. If the owner is a nonresident of this state, the
3 county auditor shall serve the notice by certified mail addressed to the owner at the
4 owner's last-known post-office address and determine whether personal service
5 upon any person is required under subsection 3. If the current assessment records
6 show that no residential building is located on the property, the auditor shall serve
7 the notice by certified mail addressed to the owner at the owner's last-known
8 post-office address.
- 9 2. By March first, the county auditor shall request from the register of deeds and the
10 clerk of the district court a certified list giving the names and addresses of all
11 persons who appear to be interested as owners, mortgagees, lienholders, or
12 otherwise in the property except a person whose only interest is in a mineral
13 interest that was served from the surface estate before filing of any unsatisfied lien
14 or mortgage or before January first of the year following the year for which the
15 taxes were levied and to which the tax lien relates, upon whom the notice of
16 foreclosures must be served. The register of deeds and the clerk of the district
17 court shall provide the county auditor with the requested lists by April fifteenth
18 following the request.
- 19 3. The notice must be served personally upon any person actually residing upon the
20 property subject to tax lien and upon any tenant or other person entitled to the
21 possession of the property as may appear from the records of the register of
22 deeds.
- 23 4. The county auditor shall serve the notice of foreclosure of tax lien upon each
24 mortgagee, lienholder, and other person with an interest in the property except a
25 person whose only interest is in a mineral interest that was served from the surface
26 estate before the filing of any unsatisfied lien or mortgage or before January first of
27 the year following the year for which the taxes were levied and to which the notice
28 of foreclosure of tax lien relates, and upon whom personal service is not required
29 by this section, as shown by the records of the register of deeds or the clerk of the
30 district court of the county. The notice must be served by certified mail.

1 of the register of deeds and the clerk of the district court of said county. There is given herewith
2 the description of such parcels of real estate, and set opposite each description is the amount
3 which will be required ~~upon the date of the expiration of the period of redemption to redeem~~
4 ~~such real estate from such original and each subsequent tax sale certificate issued to the~~
5 ~~county, exclusive of the cost of service of this notice~~ to satisfy the tax lien for the year
6 _____.

7 Said property is described as follows, with the amount required to ~~redeem~~ satisfy the tax
8 lien set out opposite each description, to wit: _____

9 _____

10 Given pursuant to authority of law this _____ day of _____, 19__.

11 County auditor of _____ County, North Dakota.

12 **SECTION 26. AMENDMENT.** Section 57-28-06 of the 1997 Supplement to the North
13 Dakota Century Code is amended and reenacted as follows:

14 **57-28-06. Service of notice by publication.** The county auditor shall serve notice of
15 ~~the expiration of the period of redemption~~ foreclosure by publication as to all property ~~sold to~~
16 ~~the county for taxes~~ for which notice is served upon the owner by certified mail. The notice may
17 include any number of parcels of property and only one heading is necessary for the entire list.
18 The notice must contain the description and any street address of each parcel of property.
19 However, the failure to include the street address in the notice does not affect the validity of the
20 notice. ~~The notice must include a statement of the cost of publication of the notice.~~ The notice
21 must be published once on or before August first in the official newspaper of the county.

22 **SECTION 27. AMENDMENT.** Section 57-28-07 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **57-28-07. Form of notice for publication.** The notice of the expiration of the period of
25 redemption to be served by publication must be substantially in the following form:

26 I, _____, county auditor, of _____ County, North Dakota, hereby do
27 give notice that the real estate hereinafter described ~~was sold to the county at the~~
28 ~~annual tax sale on December _____, 19__, for~~ has a lien for delinquent taxes, ~~that~~
29 ~~subsequent tax sale certificates have been issued to the county, that more than three~~
30 ~~years have expired since the date of each of said tax sale certificates, that no~~
31 ~~redemption has been made therefrom, that the same still are the property of this county~~

1 ~~against it for the year _____, and that unless redemption shall be made from such tax~~
2 ~~sale and special assessments, with interest, penalties, and cost of foreclosure action~~
3 ~~are paid, on or before October first after the date of this notice, the same will become~~
4 the absolute property in fee of this county, subject, however, to the lien for installments
5 of special assessments certified or to be certified to the county auditor or which may
6 become due subsequent to the time of service of this notice, and the former owner
7 thereof, mortgagees, lienholders, and other persons interested therein will be forever
8 foreclosed and barred from asserting any further rights to such real estate whatsoever.
9 The following is a list of the real estate ~~sold at such tax sale on which the period of~~
10 ~~redemption will expire~~ tax lien will be foreclosed on October first. Opposite each
11 description of such real estate appears any street address of the property, the name of
12 the owner of the record title thereof, and the amount which must be paid to ~~redeem from~~
13 ~~such tax sale before the period of redemption expires~~ satisfy the tax lien. ~~Said sum~~
14 ~~includes the amount for which said land was sold, together with subsequent delinquent~~
15 ~~taxes for _____ and prior years, and interest, penalties, and cost of service. (List~~
16 descriptions, names of owners, and amount necessary to ~~redeem~~ satisfy the tax lien.)

17 Given pursuant to authority of law this _____ day of _____, 19__.

18 The failure to include the street address in the notice does not affect the validity of the notice.

19 **SECTION 28. AMENDMENT.** Section 57-28-08 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **57-28-08. Effect of failure to redeem satisfy tax lien.** The failure of the owner, any
22 mortgagee, or other lienholder to ~~redeem property bid in by the county~~ satisfy the tax lien
23 before the ~~period of redemption expires~~ operates date of foreclosure shall:

- 24 1. ~~To pass~~ Pass any interest of the owner, mortgagee, or lienholder in the property to
25 the county. The interest acquired by the county is subject only to the lien for
26 installments of special assessments certified to the county auditor or which may
27 become due after the service of the notice of ~~expiration of the period of redemption~~
28 foreclosure of tax lien.
- 29 2. ~~To foreclose~~ Foreclose all rights of ~~redemption~~ satisfaction.
- 30 3. ~~To waive~~ Waive all errors, irregularities, or omissions which do not affect the
31 substantial rights of the parties, except jurisdictional defects.

1 **SECTION 29. AMENDMENT.** Section 57-28-09 of the 1997 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **57-28-09. Tax deed to be issued.** After the ~~expiration of the period of redemption~~
4 date of foreclosure for property ~~that was sold to the county for taxes, and which has not been~~
5 ~~assigned or redeemed~~ with an unsatisfied tax lien, the county auditor shall issue a tax deed to
6 the county, or in cases in which the state engineer has made an assessment against the
7 property under section 61-03-21.3, the county auditor shall issue a tax deed to the state. The
8 tax deed passes the property in fee to the county or the state, free from all encumbrances
9 except installments of special assessments certified to the county auditor or which may become
10 due after the service of the notice of ~~expiration of the period of redemption~~ foreclosure of tax
11 lien and except for a homestead credit for special assessments lien provided for in section
12 57-02-08.3. While the county or the state holds title under a tax deed, it is not liable for the
13 payment of any installments of special assessments which become due unless the board of
14 county commissioners or the state has leased or contracted to sell the property. A deed issued
15 under this section is prima facie evidence of the truth and regularity of all facts and proceedings
16 before the execution of the deed.

17 **SECTION 30. AMENDMENT.** Section 57-28-10 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **57-28-10. Appraisal for annual sale - Minimum sale price.** All property acquired by
20 the county by tax deed must be appraised by the board of county commissioners at least thirty
21 days before the annual sale under this chapter. The appraised price must be sufficient to cover
22 all taxes, special assessments, homestead credit for special assessments, penalties, interest,
23 and costs which were due against the property at the time of the service of the notice of
24 ~~expiration of the period of redemption~~ foreclosure of tax lien, plus an amount equal to the
25 estimated taxes and special assessments for the current assessment year. If the fair market
26 value of the property is more than the total amount due against the property, the minimum sale
27 price of the property must be at least equal to the total amount due against the property. If the
28 fair market value of the property is less than the total amount due against the property, the
29 board shall fix a fair minimum sale price for the property.

30 **SECTION 31. AMENDMENT.** Section 57-28-14 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **57-28-14. Notice of annual sale - Contents.** Notice of the annual sale must include a
2 description, any street address, and minimum sale price for each parcel of property to be sold.
3 Notice must be given in both of the following manners:

- 4 1. By posting a notice at the ~~front door of the courthouse~~ county auditor's office at
5 least fifteen days before the date of sale.
- 6 2. By publishing a notice in the official newspaper of the county once, not less than
7 ten days before the date of sale.

8 The failure to include the street address in the notice does not affect the validity of the notice.

9 **SECTION 32. AMENDMENT.** Section 57-28-18 of the 1997 Supplement to the North
10 Dakota Century Code is amended and reenacted as follows:

11 **57-28-18. Terms of private sale and ~~redemption~~ and distribution of proceeds.** Any
12 private sale of real property made between the annual November sales must be made upon the
13 same terms and conditions as a sale may be made at the November sale. The sale ~~or~~
14 ~~redemption~~ of farmland acquired by the county by tax deed is subject to any existing lease of
15 the property for the year of the sale ~~or redemption~~. If the farmland is to be sold by private sale
16 to any person other than the former owner or other interested person, a deed or contract for
17 deed may not be delivered to the purchaser until thirty days after service by certified mail upon
18 the former owner or other interested party of the pending sale, the date when the sale will
19 become final, and the amount required to ~~redeem~~ repurchase the property. For the purposes of
20 this section, "other interested party" means the executor, administrator, parent, spouse, or child
21 of the former owner who has notified the county auditor in writing of that status, the address at
22 which service may be made, and that the person should be notified of the expiration of the
23 period of ~~redemption~~ repurchase in connection with any private sale of the property.

24 In case of the sale, contract for sale, or ~~redemption~~ repurchase by the former owner of
25 tax deed property during January, the property must be assessed and taxed for that year, and
26 the purchaser or ~~redemption~~ repurchaser is entitled to the rental and landlord's share of crops
27 on the property for the year. In case of the sale, contract for sale, or ~~redemption~~ repurchase by
28 the former owner of tax deed land after January, the property must not be assessed and taxed
29 for that year, and the county is entitled to the rental and landlord's share of the crops on the
30 property for the year. The proceeds realized from a sale between annual November sales must
31 be apportioned in the same manner as the proceeds of the annual November sale.

1 conveying to the repurchaser the entire interest of the county in the property. Upon the
2 execution and delivery of a deed or contract for deed under this section, the property becomes
3 taxable to the repurchaser. In case of repurchase or contract for repurchase of tax deed
4 property during January, the property must be assessed and taxed for that year, and the
5 repurchaser is entitled to the rental and landlord's share of crops on the property for the year.
6 In case of the repurchase or contract for repurchase of tax deed land after January, the
7 property must not be assessed and taxed for the current year, and the county is entitled to the
8 rental and landlord's share of crops on the property for the year. The repurchase or contract for
9 repurchase of tax deed farmland is subject to any existing farm lease of the property for the
10 year in which the repurchase or contract for repurchase is made.

11 **SECTION 34. AMENDMENT.** Section 57-28-19.1 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **57-28-19.1. Real estate sold to city or acquired by the county by tax deed to be**
14 **marketable.** A city that has purchased property or a county that has acquired a tax deed to
15 property under this chapter is deemed to have marketable record title to the property if all of the
16 following apply:

- 17 1. The county deed conveying the property has been recorded.
- 18 2. The city or county has entered into possession of the property and continued its
19 possession for three months or longer.
- 20 3. No lis pendens giving notice of the pendency of an action challenging the validity of
21 tax proceedings or of the deed has been recorded within three months of the date
22 on which the city or county entered into possession of the property.

23 A city or county that is deemed to have marketable record title may convey title free of any
24 claims based on a defect in the process through which the city or county obtained title to the
25 property. If title of the city or county is deemed marketable under this section, a claimant who
26 would be entitled to some claim on the property because of a defect in the process by which the
27 city or county obtained title has instead the right to recover from the city or county the net value
28 of that claim, subject to the statutory restrictions on claims against a city or county. For the
29 purpose of this section, the fact of possession by the city or county may be shown of record by
30 one or more affidavits that contain the legal description of the property and show that the city or
31 county entered into possession of the property and continued possession for three months or

1 longer. The posting on the property of a sign or notice, legible from the street adjacent to the
2 property, stating that the property is owned or for sale by the city or county is an act of
3 possession by the city or county, but is not required.

4 **SECTION 35. AMENDMENT.** Section 57-28-22 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-28-22. Sale of ~~city lots~~ property owned by county more than ten years.** The
7 board of county commissioners may sell property acquired by the county at tax sale or by
8 foreclosure of tax lien more than ten years ago without further notice ~~of the expiration of the~~
9 ~~time of redemption from the tax sale if all of the following apply:~~

- 10 1. ~~The property is within an addition to the city which has been platted into lots for~~
11 ~~more than thirty years.~~
- 12 2. ~~No streets, sidewalks, or other improvements have been made in the addition.~~
- 13 3. ~~More than ten years have elapsed since the tax sale at which the county acquired~~
14 ~~the property.~~
- 15 4. ~~The property has remained under ownership of the county.~~
- 16 5. ~~No taxes have been paid on the property since the county acquired ownership.~~

17 **SECTION 36. AMENDMENT.** Section 57-28-23 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **57-28-23. County lands may be leased.** The board of county commissioners may
20 lease any property acquired by the county by tax deed. A mineral lease in farmland acquired
21 by the county by tax deed may not be entered until thirty days after giving the former owner or
22 other interested party notice of the right to ~~redeem~~ repurchase the property from tax ~~sale~~ lien
23 foreclosure in the manner provided in section 57-28-18.

24 **SECTION 37. AMENDMENT.** Section 57-29-01 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **57-29-01. Suspension of tax liens on state acquired lands.** In any transaction
27 where the state of North Dakota or any of its agencies, departments, or instrumentalities, prior
28 to the taking effect of this code, has acquired, or thereafter acquires, title to any tract of land
29 and there are listed and legally charged against the tract unpaid general property or other
30 taxes, ~~or tax sale certificates,~~ or tax deeds, the holders of the liens of the taxes ~~or certificates~~ or
31 tax titles are without power to enforce or to effectuate the same. All remedies for the

1 enforcement or enjoyment of the liens or titles are suspended wholly and all proceedings to
2 enforce or effectuate the liens or titles subsequent to the acquisition of the tract of land by the
3 state of North Dakota or any of its agencies, departments, or instrumentalities and during the
4 time the tract is owned by the state of North Dakota or any of its agencies, departments, or
5 instrumentalities, are null and void, except that any tax title acquired previous to the acquisition
6 of title by the state of North Dakota or any of its agencies, departments, or instrumentalities may
7 be made effectual and may be enjoyed until the time the state of North Dakota or any of its
8 agencies, departments, or instrumentalities acquires title based upon a mortgage or other
9 conveyance previous in time to the due date of the taxes upon which the tax title is based,
10 whereupon all rights, interests, powers, privileges, and immunities theretofore owned and
11 enjoyed under the tax title are suspended forthwith, and the state of North Dakota or any of its
12 agencies, departments, or instrumentalities may enter into possession of the tracts of land and
13 shall have the entire control, use, and enjoyment thereof.

14 **SECTION 38. AMENDMENT.** Section 57-45-05 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **57-45-05. Officer's refusal to perform duty - Penalty.** Every officer or employee of
17 any political subdivision of this state who in any case knowingly refuses to perform any duty
18 enjoined upon ~~him~~ the officer or employee by any provision in this title, or who consents to or
19 connives at any evasion of the provisions of this title whereby any proceeding is prevented or
20 hindered, is guilty of malfeasance in office, and is subject to removal from office. Any person
21 aggrieved by the failure of any officer or employee to perform ~~his~~ the officer's or employee's
22 duties as provided in this title may file a complaint under section 12.1-11-06. In addition, the
23 state's attorney or any aggrieved party may proceed to obtain a writ of mandamus to compel
24 performance by such officer or employee. Any failure of an officer or employee to do any act at
25 the particular time specified in this title in no manner invalidates any tax levy, or any ~~certificate~~
26 ~~of tax sale~~ foreclosure of tax lien, or tax deed.

27 **SECTION 39. AMENDMENT.** Section 57-45-11 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **57-45-11. Limitation of action against tax deed.** Any person having or claiming title
30 to or a lien or encumbrance upon any land, whether in ~~his~~ that person's possession or the
31 possession of another, or vacant or unoccupied, may commence and maintain an action

1 against any person, county, or state claiming any title to or interest in such lands, or a lien upon
2 the same, adversely to ~~him~~ the person by or through any ~~tax sale, tax certificate, or~~ tax deed, to
3 test the validity of the tax sale, tax certificate, or tax deed, or to quiet the title to said land as
4 against the claims of such adverse claimant, or to remove the cloud from the title arising from
5 such ~~tax sale, tax certificate, or~~ tax deed. No action nor defense based upon the invalidity of
6 any such ~~tax sale, tax certificate, or~~ tax deed may be commenced or interposed after three
7 years from the issuance of a tax deed unless such ~~tax sale, tax certificate, or~~ tax deed is void
8 by reason of jurisdictional defects. The ~~purchaser at any tax sale or the holder of any tax~~
9 ~~certificate or tax deed may maintain an action to establish the~~ validity thereof or to quiet title to
10 said lands, and if he is the holder of a tax deed ~~he~~ may demand the possession of such lands.

11 **SECTION 40. AMENDMENT.** Section 57-45-12 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **57-45-12. Procedure when taxes or tax sales lien foreclosures are declared**
14 **invalid.** When any ~~sale~~ foreclosure of land for taxes is adjudged to be void, the judgment must
15 state the reason why it is void. In all such cases, and in cases where by the mistake or
16 wrongful act of the county treasurer or auditor, land has been ~~sold~~ foreclosed upon which no
17 taxes were due, and in cases where taxes have been or may be paid on lands not subject to
18 taxation, or on lands where subsequent to payment the entry has been or may be canceled, the
19 money so paid and all subsequent taxes, penalties, and costs which have been or which may
20 be paid must be refunded, with interest at seven percent per annum from the date of payment
21 to the person making such payment, ~~his~~ the person's heirs or assigns, and the same must be
22 refunded out of the county treasury to which such money was paid, on an order from the county
23 auditor. A pro rata share of the money so refunded must be charged to the state and to any
24 city, township, school district, or other taxing district which may have received any part of such
25 void tax. Whenever any ~~sale of land or certificate or~~ tax deed made and delivered under this
26 title is adjudged to be void, unless the judgment declares the tax to be illegal, the tax and all
27 subsequent taxes ~~returned to the purchaser or assignee~~ shall remain and be a lien upon the
28 land ~~sold~~, and the county auditor shall ~~advertise and resell the same at the next succeeding~~
29 annual sale serve notice of foreclosure of tax lien on the following October first pursuant to
30 chapter 57-28 for the full amount of taxes, penalties, and costs due thereon.

1 **SECTION 41. AMENDMENT.** Section 61-01-21 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **61-01-21. Sale Foreclosure of property where when only special assessment is**
4 **delinquent.** ~~In case~~ If there are no delinquent general taxes against any parcel of real estate
5 and it is ~~sold~~ foreclosed for special assessments ~~levied pursuant to the provisions of~~ under this
6 title, the ~~certificate~~ notice of foreclosure of tax sale lien shall contain a statement to the effect
7 that the ~~sale was~~ foreclosure is for special assessments. If the ~~sale~~ foreclosure is made only
8 for special assessments levied by a municipality or by a taxing district other than the county, the
9 county auditor shall ~~declare the property sold~~ issue a tax deed to the municipality or taxing
10 district which levied such special assessments ~~if there are no private bidders.~~ The tax
11 ~~certificate and tax deed in such case shall be issued to the municipality or taxing district in the~~
12 usual course of procedure.

13 **SECTION 42. AMENDMENT.** Section 61-07-05 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **61-07-05. Purchase of land at tax sale—Assignment of tax sale certificates after**
16 **foreclosure of tax lien.** When the board shall deem it necessary to protect the interests of the
17 district, or of the electors thereof, or to protect the interests of bondholders or other creditors of
18 the district, it, if funds are available for that purpose, may purchase ~~at tax sale,~~ land within the
19 district ~~sold,~~ after foreclosure by the county for unpaid and delinquent taxes, ~~or it may purchase~~
20 ~~an assignment of any tax sale certificate from the county~~ and may ~~acquire,~~ own; and sell any
21 lands thus acquired.

22 **SECTION 43. AMENDMENT.** Section 61-09-15 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **61-09-15. Assessment made to be general tax - When due and delinquent - Tax**
25 **sale lien to be preferred lien.** All assessments made pursuant to the provisions of this
26 chapter on real property, and assessments on leasehold estates owned by this state or any of
27 its subdivisions, and, to the extent provided by the act of Congress of August 11, 1916,
28 assessments on entered or unentered public lands, shall be a general tax against the real
29 property on which assessed in like manner and to the same effect as general state and county
30 taxes and shall be of the same order. The lien thereof shall share ratably with general tax liens
31 in all tax proceedings and tax ~~sales~~ lien foreclosures, and shall be subject to all provisions of

1 law relating to general taxes. Such assessment shall become due and payable and delinquent
2 at the same time as other general state and county taxes, ~~and at the annual tax sale the said~~
3 ~~assessment shall be included in the total amount of taxes for which the property affected is~~
4 ~~being offered for sale, and such property, in the absence of other bidders, shall be sold to the~~
5 ~~county. A tax sale certificate therefor may issue to the county~~ lien foreclosure and shall remain
6 subject to all statutory provisions applying to tax sale ~~certificates issued to a county~~ lien
7 foreclosure. In case leasehold estates only are affected by said assessments the tax ~~sale~~
8 ~~certificate issued therefor~~ lien foreclosure notice shall state that fact. The lien for the bonds of
9 any series shall be preferred to that of any subsequent series, and the lien for the payments
10 due to the United States under any contract between the district and the United States,
11 accompanying which bonds have not been deposited with the United States, shall be a lien
12 preferred over that of any issue of bonds or any series of any issue subsequent to the date of
13 such contract. All funds arising from assessment and levy, if any, shall be devoted to the
14 obligations of the district payable from said funds and as to all obligations from the bond and
15 United States contract a fund shall be so devoted in the order of priority of the creation of the
16 obligation. No error or omission which may be made in the proceedings of the board, or of any
17 officer of an irrigation district in referring, reporting upon, ordering or otherwise acting
18 concerning the establishment, construction, or acquisition of irrigation works, or concerning the
19 issuance of bonds or improvement warrants, or in making or certifying any assessment shall
20 vitiate or in any way affect any such assessment; but if it shall appear that by reason of such
21 error or omission substantial injury has been done to the party or parties claiming to be
22 aggrieved, the court shall alter such assessment as may be just and the same shall then be
23 enforced. Whenever the validity of any assessment, or the validity of any ~~tax sale certificate or~~
24 ~~deed given pursuant to a~~ sale foreclosure of tax lien for such assessment shall be drawn in
25 question in any action in any district court in this state, and such assessment shall be held to be
26 invalid by reason of noncompliance with the laws of this state, the court shall determine the true
27 and just amount which the property attempted to be so assessed by said assessment should
28 pay, to make the same uniform with other assessments for the same purpose, and the amount
29 of such assessments as the same appears on the assessment list thereof, shall be prima facie
30 evidence of such true and just amount, and judgment must be rendered and given therefor
31 against the property liable for such assessment, without regard to the proceedings had for the

1 levy thereof, and such judgment shall be a lien upon the property upon which the assessment
2 shall have been levied, of equal force and effect as the lien of irrigation district assessments,
3 and the lien of such judgment shall be enforced by the court in such action.

4 **SECTION 44. AMENDMENT.** Section 61-16.1-31 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **61-16.1-31. Sale Foreclosure of tax lien on property when general and special**
7 **assessment taxes are delinquent.** Special assessments imposed under this chapter shall
8 become due and delinquent and shall be subject to penalties and nonpayment at the same date
9 and rates as first installments of real estate taxes. ~~Real property shall be sold to enforce the~~
10 ~~collection of special assessments or installments of special assessments which have become~~
11 ~~delinquent~~ at the same time and in the same manner as provided in title 57. ~~The sale shall be~~
12 ~~made by the same officer making the sale as in the case of the sale of real property for general~~
13 ~~taxes. Delinquent general taxes and delinquent special assessments, or installments thereof,~~
14 ~~shall be advertised and sold together in one sum and one certificate shall be issued therefor.~~

15 ~~If real estate is sold for both delinquent general taxes and delinquent special~~
16 ~~assessments or installments of special assessments and there shall be no bidders, the county~~
17 ~~auditor shall strike off the parcel of land to the county and one certificate of sale shall cover both~~
18 ~~general taxes and special assessments which are delinquent.~~

19 If there is no delinquent general property tax against a tract or parcel of land and it is
20 ~~sold foreclosed~~ for special assessments alone, the ~~certificate of tax sale~~ notice of foreclosure of
21 tax lien shall state that the ~~sale was~~ foreclosure is for special assessments and, ~~if there is no~~
22 ~~private bidder the tax sale certificate and a~~ tax deed in such case shall be issued in the usual
23 course of procedure.

24 **SECTION 45. AMENDMENT.** Section 61-21-52 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **61-21-52. Lien for and enforcement of drain assessments.** Drain costs determined
27 by the board shall be extended upon the proper assessment list of benefited tracts in specific
28 amounts computed according to the proportionate benefits found for each tract affected by the
29 drain or by work done on the drain. A true copy of every such list affecting lands in a city shall
30 be served on the auditor thereof promptly following completion. The assessment list shall then
31 be filed in the office of the county auditor of the proper county or counties and said auditor shall

1 extend upon the tax lists against the land affected, the specific amounts of the drain
2 assessments according to the drain assessment list prepared by the board. From and after the
3 filing of a drain assessment list with the county auditor the specific amounts levied and
4 assessed against each benefited tract shall constitute a special tax thereon and shall be a lien
5 upon such tract until fully paid. Such lien shall have precedence over all other liens except
6 general tax liens, and shall be of equal rank and order with the lien of general taxes and shall
7 not be divested by any judicial sale, tax sale, or foreclosure. This chapter shall be notice to all
8 subsequent encumbrancers of the superior rank of drain liens imposed under the provisions
9 hereof. Special drain taxes shall be collected and enforced as other taxes are collected and
10 enforced. ~~The affected real property shall be sold to enforce the collection of drain~~
11 ~~assessments which have become delinquent at the same time and in the same manner as is~~
12 ~~provided in title 57 for the sale of real property for delinquent general taxes. The sale shall be~~
13 ~~made by the same officer, upon like notice, subject to redemption and on like record as a sale~~
14 ~~of real property for delinquent general taxes. If property to be sold is subject to sale for general~~
15 ~~taxes and also for drain assessments, such property shall be advertised and sold for the total~~
16 ~~due for both general taxes and drain assessments and one certificate shall issue. If there are~~
17 ~~no bids for real estate so offered for sale, the county auditor shall sell the same to the county~~
18 ~~and shall issue one certificate of sale therefor. If the property to be sold is not subject to sale~~
19 ~~for general taxes it may be sold for drain assessments alone and a certificate of sale for such~~
20 ~~assessments shall issue to the proper board, unless sale is made to a private bidder. The~~
21 ~~board may purchase from the county any unassigned tax certificates against property sold to~~
22 ~~the county for general taxes and for drain assessments made by the board or its predecessor.~~
23 ~~Assignments of such certificates shall be on the terms provided for assignments to individuals~~
24 ~~except that the amounts of drain assessments shall not be collected. If no redemption~~
25 ~~satisfaction of tax lien is made, the affected property shall pass absolutely to the board on~~
26 ~~expiration and termination of the time for redemption~~ foreclosure of tax lien provided the board
27 pays the amount for satisfaction of lien, except the amounts of drain assessments, and may
28 thereafter be sold by the board at public sale. The governing body of each city against which a
29 drain assessment is made shall include in the earliest possible tax levy the amount assessed
30 against it by the board, which amount shall be extended against all of the taxable property in
31 such city as general taxes are extended, and such levy shall be over and above mill levy

1 limitations prescribed by law. When the cost of any drain, or of an extension or enlargement or
2 renovation thereof, shall be in such amount that the board finds that assessment of such total
3 cost against the affected property for collection in full in a single payment would be unduly
4 burdensome to such property, the board may determine to divide such cost into equal annual
5 amounts to be assessed and collected over a period of not more than fifteen years. Drain costs
6 and drain assessments shall include all expenditures for work and materials for the drain,
7 including anticipated expenses, interest charges, and a reasonable charge for the
8 establishment of a reserve fund with which the board may from time to time purchase tax
9 delinquent property affected by the drain.

10 **SECTION 46. AMENDMENT.** Section 61-35-87 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **61-35-87. Sale Foreclosure of tax lien on property when general and special**
13 **assessment taxes are delinquent.** Special assessments imposed under this chapter become
14 due and delinquent and are subject to penalties for nonpayment at the same date and rates as
15 first installments of real estate taxes. ~~Real property must be sold to enforce the collection of~~
16 ~~special assessments or installments of special assessments which have become delinquent at~~
17 ~~the same time and in the same manner as provided in title 57. The sale must be made by the~~
18 ~~same officer making the sale as in the case of the sale of real property for general taxes.~~
19 ~~Delinquent general taxes and delinquent special assessments, or installments thereof, must be~~
20 ~~advertised and sold together in one sum and one certificate of sale must be issued therefor.~~

21 ~~If real estate is sold for both delinquent general taxes and delinquent special~~
22 ~~assessments or installments of special assessments and there are no bidders, the county~~
23 ~~auditor shall strike off the parcel of land to the county and one certificate of sale covers both~~
24 ~~general taxes and special assessments that are delinquent.~~

25 If there is no delinquent general property tax against a tract or parcel of land and it is
26 sold foreclosed for special assessments alone, the ~~certificate of tax sale~~ notice of foreclosure of
27 tax lien must state that the ~~sale was~~ foreclosure is for special assessments and, ~~if there is no~~
28 ~~private bidder the tax sale certificate and a~~ tax deed in such case must be issued in the usual
29 course of procedure.

1 **SECTION 47. REPEAL.** Sections 40-25-04, 40-25-05, 40-25-08, 40-25-09, 40-25-10,
2 57-20-24, 57-20-25, chapters 57-24, 57-26, and 57-27, and section 57-28-21 of the North
3 Dakota Century Code are repealed.

4 **SECTION 48. EFFECTIVE DATE.** This Act is effective for taxable years beginning
5 after December 31, 1998. Property tax proceedings relating to property taxes due or delinquent
6 for any taxable year prior to 1999 are subject to provisions of law that were in effect
7 December 31, 1998.