

**Fifty-sixth Legislative Assembly, State of North Dakota, begun in the
Capitol in the City of Bismarck, on Tuesday, the fifth day of January,
one thousand nine hundred and ninety-nine**

SENATE BILL NO. 2334
(Senators Fischer, Andrist, Klein)
(Representatives Devlin, Maragos, Weisz)

AN ACT to create and enact two new sections to chapter 57-20 of the North Dakota Century Code, relating to notice and preservation of tax liens; to amend and reenact sections 11-11-13, 11-13-07, 11-27-08, 15-08-19, 21-02-01, 32-31-01, 32-31-02, 32-31-03, subsection 60 of section 40-05-01, section 40-25-03, subsection 3 of section 57-02-08, sections 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, 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, 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, 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 Code, relating to sales of property for delinquent taxes and provisions for foreclosure of tax liens for unpaid property taxes; to repeal sections 40-25-04, 40-25-05, 40-25-08, 40-25-09, 40-25-10, 57-20-24, 57-20-25, chapters 57-24, 57-26, 57-27, and section 57-28-21 of the North Dakota Century Code, relating to sales of property for delinquent taxes; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

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

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

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

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

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

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

15-08-19. Taxation of and sale for taxes of land foreclosure of tax lien on property sold by state on deferred payment contract. ~~Lands Property~~ contracted to be sold by the state ~~are is~~ subject to taxation from the date of the contract, and the taxes assessed thereon must be collected and enforced in the same manner as taxes against other ~~lands property~~. If the contract is not canceled or if the contract has been canceled and the period of redemption has not yet run, the ~~lands property~~ upon which taxes are delinquent ~~may be sold for taxes as other lands are sold is subject to foreclosure of tax lien~~. After the expiration of three four years from the date of the tax sale certificate became due, and after notice of expiration of the period of redemption foreclosure has been given as required in title 57, ~~and after expiration of the time to redeem given under such notice on the date of foreclosure~~, the ~~purchaser at the tax sale county~~ shall acquire such rights and interests as belonged to the holder and owner of the contract issued under the provisions of this chapter and only such rights. ~~The holder of the tax sale certificate may present the same, together with a certificate from the county auditor that notice of expiration of the time for redemption has been given and that no redemption has been made, to the commissioner of university and school lands, and thereupon may have his name substituted in the contract for that of the original holder and owner of the contract as the assignee of such original holder and owner, upon condition that he shall make payment of any principal or interest then in default under the contract of sale. If the lands are sold to the county for taxes, the~~ The county may assign its ~~tax sale certificate rights and interest~~ at any time, and the assignee shall have the rights given by this section to the ~~holder of a tax sale certificate issued to an individual county~~. No tax deed may be issued upon any tax sale certificate while the legal title to the lands remains in the state of North Dakota.

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

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

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

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

32-31-01. Jurisdiction of district court in foreclosure of tax lien. In any case in which the owner of real estate has been sold at tax sale given notice of tax lien under chapter 57-20 for general taxes, for special assessments, for hail indemnity taxes, for assessments of irrigation districts, for drain assessments, or for both general taxes and any such special taxes or assessments, the district court of the proper county shall have jurisdiction in an action in equity brought for that purpose to foreclose the lien of the delinquent taxes and assessments for which such land was ~~sold~~ noticed and to enter judgment foreclosing the same and decreeing that the same shall be sold under special execution in a manner similar to that prescribed in case of the foreclosure by action of a mortgage or other lien upon real property.

If in such action it shall appear that the taxes or assessments, ~~or the tax certificate~~, are invalid or void by reason of noncompliance with the law, the court shall determine the true and just amount

which the property attempted to be so assessed should pay to make the same uniform with other taxes and assessments for the same purpose, and judgment must be rendered and given against the property liable for such taxes or assessments without regard to the proceedings had for the levy thereof, and such judgment shall be a lien upon the property upon which the taxes or assessments shall have been levied, of equal force and effect as the lien of the tax or assessment, and the lien of such judgment shall be enforced by the court in such action.

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

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

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

32-31-03. Action brought by whom. An action to foreclose a tax lien ~~may be brought by the purchaser at tax sale or the purchaser's successor in interest and such tax sale shall be held to have assigned, transferred, and conveyed to the purchaser and the purchaser's successors in interest the lien of the taxes included therein and all subsequent taxes paid by the purchaser or the purchaser's successors in interest. In case such land, at such tax sale, was struck off to the county, such action shall be brought in the name of the county in which such real estate is situated as plaintiff, and may be instituted by the attorney general or by the state's attorney of such county.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

57-22-22. Extended personal property taxes to be collected with real estate taxes. Collection of personal property taxes entered and extended as a lien on real estate may be enforced by ~~the sale of lands against which they are entered at any annual tax sale of such real property for taxes in the same manner as if originally charged against such lands as real estate taxes foreclosure of tax lien.~~ The lands to be ~~sole~~ foreclosed for personal property taxes entered and extended thereon must be designated by resolution of the board of county commissioners.

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

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

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

57-25-01. Application for division of property for ~~redemption~~ satisfaction of tax lien. In case a mortgage, lien, or sheriff's certificate, or any other instrument conveying an interest in property, affects only a part of the real estate taxed as a unit, any person interested therein may petition the county auditor that ~~he~~ the person be permitted to pay taxes and ~~make redemption from~~ satisfy any outstanding tax sale ~~lien~~ as to that part only of the real estate in which ~~he~~ the party is interested. Such petition must set forth the petitioner's interest in the property. It must be verified and may be in the form

of an affidavit. Immediately upon the receipt of such petition, the county auditor shall consider the same and shall make a fair and equitable valuation of the whole tract. ~~He~~ The county auditor shall apportion to the petitioner a part of the taxes, interest, and penalty to be paid by ~~him~~ the petitioner in order to effect ~~redemption~~ satisfaction, which must bear to the taxes, special assessments, interest, ~~and penalty, and costs~~ accrued on the whole tract the ratio which the value of the part or parcel of land in which ~~he~~ the petitioner claims an interest bears to the value of the entire assessed tract of land. Thereupon the county auditor, by ~~registered or~~ certified mail, shall notify all persons interested in such real property according to the record, either as owner or as the holder of a mortgage or other lien or sheriff's certificate, of the filing of such petition and of ~~his~~ the auditor's assessment of such tract or parcel of land and of ~~his~~ the auditor's apportionment of the taxes thereon, and the date when the same will be considered and heard by ~~him~~ the auditor. Such hearing may not be less than ten days after the mailing of such notice. Upon the date set, the county auditor shall hear the parties interested and shall assess such tract and apportion the taxes thereon as ~~he~~ the auditor deems fair and equitable.

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

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

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

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

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

57-25-05. Procedure on payment of tax or redemption satisfaction of tax lien of portion of tract. Upon payment by the petitioner of the amount as finally apportioned, a tax receipt or ~~certificate of redemption~~ satisfaction of tax lien, or both, as the case may be, must be issued to such petitioner by the county auditor. ~~If there are outstanding tax certificates, the proper amount of the proceeds of such redemption must be paid to the holders of such certificates. The original certificate or certificates must be deposited with, and canceled by, the county auditor, and he shall issue in lieu thereof a tax sale certificate, which must be entitled "substitute tax sale certificate", and which must be in substantially the following form:~~

SUBSTITUTE TAX SALE CERTIFICATE

I, _____, auditor of the county of _____ in the state of North Dakota, do hereby certify that the following described real estate situated in said county and state to wit: _____, together with other real estate, on the _____ day of _____, 19____, was sold by me in the manner provided by law for the delinquent taxes thereon for the year _____ to _____, he being the bidder who agreed to accept the lowest rate of interest thereon from the date of sale upon the amount of taxes, penalties, and interest paid by him, that the rate of interest which said purchaser agreed to accept was _____ percent per annum, that thereafter redemption was made from said tax sale of a

~~portion of the real estate then sold to said purchaser, that redemption of the above described real estate was not made, and I further certify that unless redemption of such real estate is made in the manner provided by law the said _____ or his assigns will be entitled to a deed of the property above described on and after the _____ day of _____, 19____, on the surrender of this certificate, and I further certify that there remains due and unpaid upon this certificate the sum of \$_____ together with interest thereon at _____ percent per annum from _____ day of _____, 19____.~~

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

~~_____
County Auditor of _____ County~~

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

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

57-28-01. Notice of ~~expiration of period of redemption~~ foreclosure of tax lien to be given.

~~On or before June first in each year, the county auditor shall give notice of the expiration of the period of redemption foreclosure of tax lien for all property for which three four or more years have passed since the tax sale certificates were issued or deemed to have been issued to the county, which have not been redeemed or assigned became due.~~

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

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

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

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

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

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

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

1. If the current assessment records show that a residential building is located on the property, the county auditor shall deliver the notice of foreclosure of tax lien to the sheriff who shall serve it or cause it to be served personally upon the owner, if known to be a resident of this state. If the owner is a nonresident of this state, the county auditor shall serve the notice by certified mail addressed to the owner at the owner's last-known post-office address and determine whether personal service upon any person is required under subsection 3. If the current assessment records show that no residential building is located on the property, the auditor shall serve the notice by certified mail addressed to the owner at the owner's last-known post-office address.
2. By March first, the county auditor shall request from the register of deeds and the clerk of the district court a certified list giving the names and addresses of all persons who appear to be interested as owners, mortgagees, lienholders, or otherwise in the property except a person whose only interest is in a mineral interest that was served from the surface estate before filing of any unsatisfied lien or mortgage or before January first of the year following the year for which the taxes were levied and to which the tax lien relates, upon whom the notice of foreclosures must be served. The register of deeds and the clerk of the district court shall provide the county auditor with the requested lists by April fifteenth following the request.
3. The notice must be served personally upon any person actually residing upon the property subject to tax lien and upon any tenant or other person entitled to the possession of the property as may appear from the records of the register of deeds.
4. The county auditor shall serve the notice of foreclosure of tax lien upon each mortgagee, lienholder, and other person with an interest in the property except a person whose only interest is in a mineral interest that was served from the surface estate before the filing of any unsatisfied lien or mortgage or before January first of the year following the year for which the taxes were levied and to which the notice of foreclosure of tax lien relates, and upon whom personal service is not required by this section, as shown by the records of the register of deeds or the clerk of the district court of the county. The notice must be served by certified mail.
5. The expense of service of the notice, publication, and other foreclosure costs under this chapter in the amount of fifty dollars must be added to the amount required to satisfy the tax lien. The auditor or sheriff shall make proof of service by mail by affidavit showing the names and addresses of all parties upon whom the notice was served with the date of mailing in each case and shall attach the registry, certification, and return receipts and file the affidavit and receipts with the original notice of foreclosure of tax lien. Service by publication under this chapter must be shown of record by filing of an affidavit of publication.

SECTION 25. AMENDMENT. Section 57-28-05 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

57-28-05. Form of notice ~~for~~ of foreclosure of tax lien service by certified mail. The notice of ~~the expiration of the period of redemption~~ foreclosure of tax lien which the county auditor is required to serve by certified mail must be substantially in the following form:

**NOTICE OF ~~EXPIRATION OF PERIOD OF REDEMPTION~~ FORECLOSURE
OF TAX LIEN**

To _____, the owner of the record title of the real estate hereinafter described, and to all mortgagees, lienholders, and other persons interested in said real estate:

I, _____, county auditor of _____ County, North Dakota, hereby give notice that the real estate hereinafter described, ~~at the annual tax sale held in the county on the _____ of December, 19___, was offered for sale~~ has a lien for delinquent taxes against it for the year _____ and ~~was sold to the county, that subsequent tax sale certificates have been issued to the county for the years hereinafter set forth, that more than three years have expired since the date of each of said tax~~

~~sale certificates, that no redemption has been made therefrom, and that the same still are the property of such county, and unless redemption is made from each of said tax sale certificates and special assessments, with interest, penalties, and cost of foreclosure action are paid on or before October first, after the date of this notice, tax deeds will be issued to the county, granting to and vesting in it, the absolute title in fee to said real property, subject, however, to the lien for installments of special assessments certified or to be certified to the county auditor or which may become due subsequent to the time of service of this notice, and foreclosing all rights of redemption, and all other rights of the owner, mortgagees, lienholders, and other persons interested therein, as may appear from the records of the register of deeds and the clerk of the district court of said county. There is given herewith the description of such parcels of real estate, and set opposite each description is the amount which will be required upon the date of the expiration of the period of redemption to redeem such real estate from such original and each subsequent tax sale certificate issued to the county, exclusive of the cost of service of this notice to satisfy the tax lien for the year _____.~~

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

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

County auditor of _____ County, North Dakota.

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

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

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

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

I, _____, county auditor, of _____ County, North Dakota, hereby do give notice that the real estate hereinafter described ~~was sold to the county at the annual tax sale on December _____, 19__, for~~ has a lien for delinquent taxes, ~~that subsequent tax sale certificates have been issued to the county, that more than three years have expired since the date of each of said tax sale certificates, that no redemption has been made therefrom, that the same still are the property of this county against it for the year _____, and that unless redemption shall be made from such tax sale and special assessments, with interest, penalties, and cost of foreclosure action are paid,~~ on or before October first after the date of this notice, the same will become the absolute property in fee of this county, subject, however, to the lien for installments of special assessments certified or to be certified to the county auditor or which may become due subsequent to the time of service of this notice, and the former owner thereof, mortgagees, lienholders, and other persons interested therein will be forever foreclosed and barred from asserting any further rights to such real estate whatsoever. The following is a list of the real estate ~~sold at such tax sale on which the period of redemption will expire~~ tax lien will be foreclosed on October first. Opposite each description of such real estate appears any street address of the property, the name of the owner of the record title thereof, and the amount which must be paid to ~~redeem from such tax sale before the period of redemption expires~~ satisfy the tax lien. ~~Said sum includes the amount for which said land was sold, together with subsequent~~

~~delinquent taxes for _____ and prior years, and interest, penalties, and cost of service.~~
(List descriptions, names of owners, and amount necessary to ~~redeem~~ satisfy the tax lien.)

Given pursuant to authority of law this _____ day of _____, 49__.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 33. AMENDMENT. Section 57-28-19 of the North Dakota Century Code is amended and reenacted as follows:

57-28-19. Rights of repurchase. The former owner; the former owner's executor or administrator; or any parent, spouse, or child of the former owner may repurchase any property forfeited to the county under tax deed proceedings, so long as the tax title to the property remains in the county. If any city has made a special assessment for public improvements against the property and the special assessment has become delinquent and remains unpaid, the city has a right to purchase the property for cash, at the appraised value, prior to that of any party. Upon appraisal of the property, the county auditor shall give notice to the auditor of any such city and the city has thirty days within which to exercise its priority right to purchase the property under this section. A repurchase by a private party under this section may be for cash or contract for deed made by and between the board of county commissioners and the former owner; the executor or administrator of the former owner; or any parent, spouse, or child of the former owner. The consideration of the repurchase contract with a private party must include:

1. The total amount required to be paid to effect a ~~redemption~~ satisfaction of tax lien.
2. The total amount of all subsequent taxes and special assessments with interest, penalties, and costs.

If the fair market value of the property at the time of the repurchase is less than the amount to be paid under subsections 1 and 2, the board shall fix a fair sale price for the property. If a repurchase under this section is by contract for deed, the party making the repurchase must pay at least twenty-five percent of the total contract price in cash and the remainder must be payable in no more than ten annual equal installments. The board of county commissioners shall establish the rate of interest for a contract for deed under this section, not exceeding the prime rate of interest established by the Bank of

North Dakota for the month immediately preceding the month in which the contract was entered. A contract for deed under this section must provide that if the repurchaser or the successor in interest fails to pay one or more of the installments when due, with interest, the board of county commissioners may cancel the contract and all payments and improvements made by the repurchaser or the successor in interest will be forfeited to the county as liquidated damages for breach of contract unless otherwise expressly provided. Upon the completion of a cash sale or payments under a contract for deed under this section, the county auditor shall execute and deliver a deed conveying to the repurchaser the entire interest of the county in the property. Upon the execution and delivery of a deed or contract for deed under this section, the property becomes taxable to the repurchaser. In case of repurchase or contract for repurchase of tax deed property during January, the property must be assessed and taxed for that year, and the repurchaser is entitled to the rental and landlord's share of crops on the property for the year. In case of the repurchase or contract for repurchase of tax deed land after January, the property must not be assessed and taxed for the current year, and the county is entitled to the rental and landlord's share of crops on the property for the year. The repurchase or contract for repurchase of tax deed farmland is subject to any existing farm lease of the property for the year in which the repurchase or contract for repurchase is made.

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

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

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

A city or county that is deemed to have marketable record title may convey title free of any claims based on a defect in the process through which the city or county obtained title to the property. If title of the city or county is deemed marketable under this section, a claimant who would be entitled to some claim on the property because of a defect in the process by which the city or county obtained title has instead the right to recover from the city or county the net value of that claim, subject to the statutory restrictions on claims against a city or county. For the purpose of this section, the fact of possession by the city or county may be shown of record by one or more affidavits that contain the legal description of the property and show that the city or county entered into possession of the property and continued possession for three months or longer. The posting on the property of a sign or notice, legible from the street adjacent to the property, stating that the property is owned or for sale by the city or county is an act of possession by the city or county, but is not required.

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

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

- ~~1. The property is within an addition to the city which has been platted into lots for more than thirty years.~~
- ~~2. No streets, sidewalks, or other improvements have been made in the addition.~~
- ~~3. More than ten years have elapsed since the tax sale at which the county acquired the property.~~

4. ~~The property has remained under ownership of the county.~~
5. ~~No taxes have been paid on the property since the county acquired ownership.~~

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

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

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

57-29-01. Suspension of tax liens on state acquired lands. In any transaction where the state of North Dakota or any of its agencies, departments, or instrumentalities, prior to the taking effect of this code, has acquired, or thereafter acquires, title to any tract of land and there are listed and legally charged against the tract unpaid general property or other taxes, ~~or tax sale certificates,~~ or tax deeds, the holders of the liens of the taxes ~~or certificates~~ or tax titles are without power to enforce or to effectuate the same. All remedies for the enforcement or enjoyment of the liens or titles are suspended wholly and all proceedings to enforce or effectuate the liens or titles subsequent to the acquisition of the tract of land by the state of North Dakota or any of its agencies, departments, or instrumentalities and during the time the tract is owned by the state of North Dakota or any of its agencies, departments, or instrumentalities, are null and void, except that any tax title acquired previous to the acquisition of title by the state of North Dakota or any of its agencies, departments, or instrumentalities may be made effectual and may be enjoyed until the time the state of North Dakota or any of its agencies, departments, or instrumentalities acquires title based upon a mortgage or other conveyance previous in time to the due date of the taxes upon which the tax title is based, whereupon all rights, interests, powers, privileges, and immunities theretofore owned and enjoyed under the tax title are suspended forthwith, and the state of North Dakota or any of its agencies, departments, or instrumentalities may enter into possession of the tracts of land and shall have the entire control, use, and enjoyment thereof.

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

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

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

57-45-11. Limitation of action against tax deed. Any person having or claiming title to or a lien or encumbrance upon any land, whether in ~~his~~ that person's possession or the possession of another, or vacant or unoccupied, may commence and maintain an action against any person, county, or state claiming any title to or interest in such lands, or a lien upon the same, adversely to ~~him~~ the person by or through any ~~tax sale, tax certificate, or~~ tax deed, to test the validity of the tax sale, tax certificate, or tax deed, or to quiet the title to said land as against the claims of such adverse claimant, or to remove the cloud from the title arising from such ~~tax sale, tax certificate, or~~ tax deed. No action nor defense based upon the invalidity of any such ~~tax sale, tax certificate, or~~ tax deed may be commenced or interposed after three years from the issuance of a tax deed unless such ~~tax sale, tax~~

~~certificate, or tax deed is void by reason of jurisdictional defects. The purchaser at any tax sale or the holder of any tax certificate or tax deed may maintain an action to establish the validity thereof or to quiet title to said lands, and if he is the holder of a tax deed he may demand the possession of such lands.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

61-21-52. Lien for and enforcement of drain assessments. Drain costs determined by the board shall be extended upon the proper assessment list of benefited tracts in specific amounts computed according to the proportionate benefits found for each tract affected by the drain or by work done on the drain. A true copy of every such list affecting lands in a city shall be served on the auditor thereof promptly following completion. The assessment list shall then be filed in the office of the county auditor of the proper county or counties and said auditor shall extend upon the tax lists against the land affected, the specific amounts of the drain assessments according to the drain assessment list prepared by the board. From and after the filing of a drain assessment list with the county auditor the specific amounts levied and assessed against each benefited tract shall constitute a special tax thereon and shall be a lien upon such tract until fully paid. Such lien shall have precedence over all other liens except general tax liens, and shall be of equal rank and order with the lien of general taxes and shall not be divested by any judicial sale, tax sale, or foreclosure. This chapter shall be notice to all subsequent encumbrancers of the superior rank of drain liens imposed under the provisions hereof. Special drain taxes shall be collected and enforced as other taxes are collected and enforced.—~~The affected real property shall be sold to enforce the collection of drain assessments which have become delinquent at the same time and in the same manner as is provided in title 57 for the sale of real property for delinquent general taxes. The sale shall be made by the same officer, upon like notice, subject to redemption and on like record as a sale of real property for delinquent general taxes. If property to be sold is subject to sale for general taxes and also for drain assessments, such property shall be advertised and sold for the total due for both general taxes and drain assessments and one certificate shall issue. If there are no bids for real estate so offered for sale, the county auditor shall sell the same to the county and shall issue one certificate of sale therefor. If the property to be sold is not subject to sale for general taxes it may be sold for drain assessments alone and a certificate of sale for such assessments shall issue to the proper board, unless sale is made to a private bidder. The board may purchase from the county any unassigned tax certificates against property sold to the county for general taxes and for drain assessments made by the board or its predecessor. Assignments of such certificates shall be on the terms provided for assignments to individuals except that the amounts of drain assessments shall not be collected. If no redemption satisfaction of tax lien is made, the affected property shall pass absolutely to the board on expiration and termination of the time for redemption foreclosure of tax lien provided the board pays the amount for satisfaction of lien, except the amounts of drain assessments, and may thereafter be sold by the board at public sale. The governing body of each city against which a drain assessment is made shall include in the earliest possible tax levy the amount assessed against it by the board, which amount shall be extended against all of the taxable property in such city as general taxes are extended, and such levy shall be over and above mill levy limitations prescribed by law. When the cost of any drain, or of an extension or enlargement or renovation thereof, shall be in such amount that the board finds that assessment of such total cost against the affected property for collection in full in a single payment would be unduly burdensome to such property, the board may determine to divide such cost into equal annual amounts to be assessed and collected over a period of not more than fifteen years. Drain costs and drain assessments shall include all expenditures for work and materials for the drain, including anticipated expenses, interest charges, and a reasonable charge for the establishment of a reserve fund with which the board may from time to time purchase tax delinquent property affected by the drain.~~

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

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

~~If real estate is sold for both delinquent general taxes and delinquent special assessments or installments of special assessments and there are no bidders, the county auditor shall strike off the~~

~~parcel of land to the county and one certificate of sale covers both general taxes and special assessments that are delinquent.~~

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

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

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

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2334.

Senate Vote: Yeas 49 Nays 0 Absent 0

House Vote: Yeas 89 Nays 4 Absent 5

Secretary of the Senate

Received by the Governor at _____ M. on _____, 1999.

Approved at _____ M. on _____, 1999.

Governor

Filed in this office this _____ day of _____, 1999,

at _____ o'clock _____ M.

Secretary of State