

Fifty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2286

Introduced by

Senators Fischer, Cook, Lee

Representatives Aarsvold, Delmore, Hawken

1 A BILL for an Act to create and enact a new section to chapter 57-28 of the North Dakota
2 Century Code, relating to liens against other property for costs incurred by a county in tax
3 foreclosures; to amend and reenact section 57-28-09 of the North Dakota Century Code,
4 relating to issuance of tax deeds to political subdivisions on property forfeited in tax
5 foreclosures; and to provide an effective date.

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

7 **SECTION 1. AMENDMENT.** Section 57-28-09 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-28-09. Tax deed to be issued.** After the date of foreclosure for property with an
10 unsatisfied tax lien, the county auditor shall issue a tax deed to the county; or, in cases in which
11 the state engineer has made an assessment against the property under section 61-03-21.3, the
12 county auditor shall issue a tax deed to the state or, if the property was sold by another political
13 subdivision of this state within the ten years preceding the foreclosure, the county auditor shall
14 issue a tax deed to that political subdivision. The tax deed passes the property in fee to the
15 county ~~or~~, the state, or political subdivision, free from all encumbrances except installments of
16 special assessments certified to the county auditor or which may become due after the service
17 of the notice of foreclosure of tax lien and except for a homestead credit for special
18 assessments lien provided for in section 57-02-08.3. While the county ~~or~~, the state, or political
19 subdivision holds title under a tax deed, it is not liable for the payment of any installments of
20 special assessments which become due unless the board of county commissioners ~~or~~, the
21 state, or political subdivision has leased or contracted to sell the property. A deed issued under
22 this section is prima facie evidence of the truth and regularity of all facts and proceedings
23 before the execution of the deed.

1 **SECTION 2.** A new section to chapter 57-28 of the North Dakota Century Code is
2 created and enacted as follows:

3 **County lien for costs of improvement to distrust property forfeited in tax**
4 **foreclosure.**

- 5 1. If property sold by the county under this chapter is sold for less than the total
6 amount of the taxes due and the costs to improve salability of the property which
7 were incurred by the county in cleanup, repairs, demolition, or other action
8 necessary because of damage, neglect, or waste by the prior owner, those costs
9 incurred by the county to improve salability which were not recovered by the
10 county from the sale constitute a lien on any real property owned, or later acquired,
11 in the county by that prior owner.
- 12 2. The county auditor shall extend and enter upon the tax list of real estate then in the
13 hands of the county treasurer, opposite the description of real estate designated by
14 the board of county commissioners which belongs to the prior owner, the year for
15 which an obligation to the county exists under this section and the amount of that
16 obligation. The entry must be made without regard to any prior payment of real
17 estate taxes on those properties and the treasurer may not thereafter issue any
18 receipt in full for real estate taxes on those properties without making collection at
19 the same time of the obligation under this section. A taxpayer holding a specific
20 superior lien on those properties ahead of a lien under this section is entitled to tax
21 receipts without regard to nonpayment of obligations under this section.

22 **SECTION 3. EFFECTIVE DATE.** This Act is effective for property for which a tax deed
23 is issued after December 31, 2000.