

**SENATE BILL NO. 2453**

Introduced by

Senators Bercier, Schobinger, Stenehjem

Representatives Lemieux, Maragos, Thorpe

1 A BILL for an Act to amend and reenact sections 57-55-01.1, 57-55-03, 57-55-04, 57-55-06,  
2 57-55-07, 57-55-10, and 57-55-11 of the North Dakota Century Code, relating to imposition of  
3 mobile home taxes in the same manner as property taxes on real property; and to provide an  
4 effective date.

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

6 **SECTION 1. AMENDMENT.** Section 57-55-01.1 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **57-55-01.1. Taxation and tax ~~permits~~ registration for mobile homes.** The owner of  
9 each mobile home is subject to taxes as determined under this chapter and shall file an  
10 application for a mobile home tax ~~permit~~ registration with the director of tax equalization in the  
11 county in which the mobile home is located within ten days after the mobile home is acquired,  
12 moved, or first brought into this state. Application must be made on forms approved by the tax  
13 commissioner and furnished by the county director of tax equalization and must contain the  
14 necessary information to carry out the provisions of this chapter. ~~A mobile home tax permit~~  
15 ~~may not be issued unless the owner pays the tax and any penalties in full to the county~~  
16 ~~treasurer. Upon payment of the tax, a mobile home tax permit must be issued to the owner of~~  
17 ~~the mobile home. The tax permit is valid throughout the state for the mobile home during the~~  
18 ~~period for which it was issued.~~

19 **SECTION 2. AMENDMENT.** Section 57-55-03 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21 **57-55-03. When taxes become due and delinquent - Penalty.**

22 ~~4. a. The tax imposed in this chapter is due and payable on January tenth of each~~  
23 ~~year or ten days after the mobile home is purchased or first moved into this~~

1                   state. ~~If the tax due for the entire year is paid in full by February fifteenth, the~~  
2                   county treasurer shall allow a five percent discount.

3                   b. ~~If the tax imposed by this chapter is paid in full within thirty days after the~~  
4                   mobile home is purchased or moved into this state, the county treasurer shall  
5                   allow a five percent discount. ~~However, if the tax is not paid within forty days~~  
6                   it is subject to a penalty and interest. ~~The penalty is one percent of the tax.~~  
7                   ~~The interest is one half percent of the tax for each full and fractional month of~~  
8                   delay.

9                   2. ~~Except as provided in subdivision b of subsection 1, the tax imposed by this~~  
10                  chapter ~~may be paid in two equal installments if the amount of the tax due is forty~~  
11                  dollars or more. ~~The first installment is due on January tenth and becomes~~  
12                  delinquent on March first and is then subject to a penalty of two percent, and on  
13                  April first an additional penalty of two percent, and on May first an additional  
14                  penalty of two percent, and on June first an additional penalty of two percent. ~~The~~  
15                  second installment is due June first and is delinquent on July first and is then  
16                  subject to a penalty of two percent, and on August first an additional penalty of two  
17                  percent, and on September first an additional penalty of two percent, and on  
18                  October first an additional penalty of two percent. ~~If any tax remains due after~~  
19                  January first of the next year, interest is due at the monthly rate of one half percent  
20                  of the tax due for each month or fraction of a month until the tax and penalties have  
21                  been paid in full at the times and in the manner provided by law for payment of real  
22                  property taxes. The provisions of chapters 57-02 through 57-28, to the extent they  
23                  are not in conflict with this chapter, apply to taxation of mobile homes under this  
24                  chapter.

25                  **SECTION 3. AMENDMENT.** Section 57-55-04 of the North Dakota Century Code is  
26                  amended and reenacted as follows:

27                  **57-55-04. Taxes - How determined - Disbursement.** The director of tax equalization  
28                  shall determine the tax for each mobile home by placing an evaluation on the mobile home  
29                  based upon its assessed value and by adjusting the valuation of the mobile home by the  
30                  percentage provided in section ~~57-02-27~~ to determine its taxable valuation of a mobile home  
31                  under standards and guides determined by the state tax commissioner and applying that

1 ~~evaluation to the preceding year's.~~ Taxes due for the taxable year must be determined by  
2 applying the total mill levies applying to property within the taxing district in which the mobile  
3 home is located. If a mobile home is ~~acquired or to be moved into this state~~ during the  
4 calendar year and a tax permit has not been previously issued for such mobile home in this  
5 state for such year, the tax to the date of the move must be paid in full and is determined by  
6 computing the ~~remaining number~~ percentage of months of the current year ~~to the nearest full~~  
7 month that has elapsed to the date of the move and multiplying that ~~number~~ percentage by  
8 ~~one-twelfth~~ of the amount which would be due for the full year based upon application of the  
9 preceding year's total mill levies applying to property within the taxing district in which the  
10 mobile home is located. The taxes collected under this chapter must be disbursed in the same  
11 year they are collected and in the same manner as real estate taxes ~~for the preceding year~~ are  
12 disbursed.

13 **SECTION 4. AMENDMENT.** Section 57-55-06 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **57-55-06. Tax permits registration - Form.** The tax ~~permit~~ registration must be of a  
16 size and design specified by the state tax commissioner. The director of tax equalization shall  
17 order sufficient ~~permits~~ registrations for the county, and the costs ~~of such permits~~ must be paid  
18 by the county.

19 **SECTION 5. AMENDMENT.** Section 57-55-07 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21 **57-55-07. Failure to apply for permit registration - Illegal use of permit**  
22 **registration - Penalty.** Any person who fails to make application pursuant to the provisions of  
23 this chapter, or who uses or allows to be used a tax ~~permit~~ registration of any mobile home  
24 taxed pursuant to the provisions of this chapter for any purpose other than the purpose for  
25 which it was issued, is guilty of a class B misdemeanor.

26 **SECTION 6. AMENDMENT.** Section 57-55-10 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **57-55-10. Exemptions - Exceptions.**

29 1. Property tax exemptions otherwise provided by law do not apply to mobile homes  
30 taxable under this chapter. A mobile home described in this subsection to the

- 1 extent herein limited is exempt from taxation under this chapter; provided, that the  
2 mobile home shall have a tax ~~permit~~ registration as provided in section 57-55-06:
- 3 a. If it is owned and used as living quarters of a military person on active military  
4 duty in this state who is a resident of another state.
- 5 b. If it is owned and occupied by a welfare recipient, provided the mobile home is  
6 not permanently attached to the land and classified as real property. For the  
7 purposes of this subdivision, "welfare recipient" means any person who is  
8 certified to the county director of tax equalization by the county social service  
9 board as receiving the major portion of income from any state or federal public  
10 assistance program.
- 11 c. If it is owned and used as living quarters by a disabled veteran or unremarried  
12 surviving spouse who meets the requirements of subsection 20 of section  
13 57-02-08.
- 14 d. If it is owned and used as living quarters by a permanently and totally disabled  
15 person or unremarried surviving spouse who meets the requirements of  
16 subsection 20 of section 57-02-08.
- 17 e. If it is owned and used as the living quarters for a blind person who meets the  
18 requirements of subsection 22 of section 57-02-08.
- 19 f. If it is owned and used by a person who uses it as living quarters and who  
20 qualifies for the homestead credit provided in section 57-02-08.1, and the  
21 mobile home shall be regarded for the purposes of this exemption as the  
22 homestead of the person claiming the exemption.
- 23 2. This chapter does not apply to a mobile home that:
- 24 a. Is used only for the temporary living quarters of the owner or other occupant  
25 while the person is engaged in recreational or vacation activities, provided the  
26 unit:
- 27 (1) Displays a current travel trailer license; or
- 28 (2) Is a park model trailer that is used only for seasonal or recreational  
29 living quarters and not as a primary residence, and which is located in a  
30 trailer park or campground, and for which the owner has paid a park  
31 model trailer fee under section 39-18-03.2. For purposes of this

1 paragraph, "park model" trailer means a recreational vehicle not  
2 exceeding forty feet [12.19 meters] in length which is primarily designed  
3 to provide temporary living quarters for recreation, camping, or  
4 seasonal use, is built on a single chassis, is mounted on wheels, has a  
5 gross trailer area not exceeding four hundred square feet [37.16 square  
6 meters] of enclosed living space in the setup mode, and is certified by  
7 the manufacturer as complying with American national standards  
8 institute standard A119.5.

9 b. Qualifies as a farm residence as described by subsection 15 of section  
10 57-02-08, provided such mobile home is permanently attached to the ground.

11 c. Is permanently attached to a foundation and is assessed as real property,  
12 provided the owner of such mobile home also owns the land on which such  
13 mobile home is located.

14 d. Is owned by a licensed mobile home dealer who holds such mobile home  
15 solely for the purpose of resale, and provided that such mobile home is not  
16 used as living quarters or as the place for the conducting of any business.

17 **SECTION 7. AMENDMENT.** Section 57-55-11 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **57-55-11. Collection - Enforcement - Movement of mobile home tax payment**  
20 **prerequisite - Penalty.**

21 1. The director of tax equalization shall make an inspection of each mobile home  
22 park, lot, or other place in which mobile homes are located, for the purpose of  
23 determining ~~whether~~ compliance with the provisions of this chapter ~~are being~~  
24 ~~complied with~~. If the director determines that any person is not complying with the  
25 provisions of this chapter, the director shall give such person a warning that if such  
26 person fails to comply within ten days after the issuance of such warning, the  
27 director of tax equalization may begin civil action against such person. In the  
28 alternative, if the director of tax equalization determines that there are mobile  
29 homes in the director's county belonging to transients or nonresidents who have  
30 failed to comply with the provisions of this chapter, and in the director's opinion the  
31 taxes will be uncollectible if immediate action is not taken, the director shall notify

1           the county sheriff. The county sheriff shall immediately, and in no event later than  
2           five days after receiving such notification, commence proceedings as provided by  
3           law to collect the taxes, penalties, and interest, if any, which are due.

4           2. Before a mobile home is moved from its existing location, a moving permit must be  
5           obtained by the owner from the county director of tax equalization indicating that all  
6           taxes; determined as provided in section 57-55-04 and any applicable penalties;  
7           and interest levied against the mobile home have been paid. While the mobile  
8           home is being transported, the moving permit must be displayed on the rear of the  
9           mobile home. Any person who violates this provision is guilty of an infraction, for  
10          which a fine of no less than one hundred dollars and no more than five hundred  
11          dollars may be imposed.

12           **SECTION 8. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
13          December 31, 2000, except that during calendar year 2001 mobile home taxes are due and  
14          payable under the provisions of chapter 57-55 as they existed on December 31, 2000. This Act  
15          applies to taxes that become due on or after January 1, 2002.