

Sixty-seventh  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1199

Introduced by

Representatives K. Koppelman, Ista, Jones, B. Koppelman, Paur, Satrom, Steiner

Senators Clemens, Luick, Wobbema

1 A BILL for an Act to amend and reenact section 57-28-20 of the North Dakota Century Code,  
2 relating to the disposition of proceeds from tax lien foreclosures.

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

4 **SECTION 1. AMENDMENT.** Section 57-28-20 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **57-28-20. Disposition of proceeds of sales.**

7 All proceeds from the public or private sale of property under this chapter must be  
8 apportioned as regular tax payments are apportioned among and within taxing districts in which  
9 the property is located, as follows:

- 10 1. The county treasurer shall issue a regular tax receipt in the name of the county,  
11 beginning with the earliest year for which the taxes are delinquent. Tax receipts must  
12 be written for the original amount of the tax, without penalty and interest. If the  
13 property was sold for an amount sufficient to cover all outstanding taxes ~~and~~ special  
14 assessments, penalties, and costs associated with selling the property, tax receipts  
15 must be written for all such years, and any remaining amount must be credited to the  
16 general fund of the county owner of the record title of the real estate listed in the notice  
17 of foreclosure of tax lien, or to the decedent's estate if the owner of the record title of  
18 the real estate is deceased, unless another claimant receives a court order requiring  
19 the funds be deposited with a court that will determine whether any of the proceeds  
20 should be paid to a lienholder or other party.
- 21 2. If the property is sold under a contract, the county treasurer shall issue tax receipts,  
22 beginning with the earliest year for which taxes or special assessments are delinquent,  
23 without penalty and interest, and all subsequent payments made on the contract must  
24 be applied to the earliest remaining unpaid taxes or special assessments. Any

- 1            payment under the contract after all taxes and, special assessments, penalties,  
2            interest, and costs associated with selling the property are paid must be credited to the  
3            county general fundowner of the record title of the real estate listed in the notice of  
4            foreclosure of tax lien, or to the decedent's estate if the owner of the record title of the  
5            real estate is deceased, unless another claimant receives a court order requiring the  
6            funds be deposited with a court that will determine whether any of the proceeds should  
7            be paid to a lienholder or other party.
- 8            3. If the property is sold for less than the total amount of the taxes due, the treasurer  
9            shall write tax receipts beginning with the earliest year and for as many subsequent  
10            years as the proceeds realized from the sale will satisfy, and the remainder of any  
11            unpaid general taxes or special assessments must be canceled by the board of county  
12            commissioners.
- 13            4. A city or county that acquires a tax deed to property shall make reasonable efforts to  
14            sell the property for the amount necessary to satisfy the outstanding taxes, penalties,  
15            and interest owed on the property and shall distribute any remaining sale proceeds in  
16            the manner provided in this chapter.