

HOUSE BILL NO. 1396

Introduced by

Representatives K. Koppelman, Bellew, B. Koppelman, Looyen, Schmidt, Silbernagel,
Toman, Trottier

Senators Andrist, Berry, Mathern, Wanzek

1 A BILL for an Act to create and enact a new section to chapter 57-02 of the North Dakota
2 Century Code, relating to reassessment of property that has been sold for less than its most
3 recently assessed true and full value; and to provide an effective date.

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

5 **SECTION 1.** A new section to chapter 57-02 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Reassessment based on sales price.**

8 Property that has been sold in an arm's-length transaction for a price less than the true and
9 full value of that property as determined in its most recent preceding assessment must be
10 reassessed by the first assessment date following the sale at a true and full valuation not
11 exceeding the sales price. This section does not apply to property that has changed property
12 classifications or property that has been divided or partitioned since its previous assessment.
13 For purposes of this section, the sales price of the property must be reduced by the amount of
14 any special assessments, mortgage points, or other costs traditionally borne by the purchaser
15 which were paid by the seller as part of the transaction. The purchaser of the property is
16 responsible for providing the assessor with the documentation necessary to determine the sales
17 price of the property for purposes of this section.

18 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
19 December 31, 2012.