

HOUSE BILL NO. 1291

Introduced by

Representatives K. Koppelman, Bellew, Devlin, Karls, Meier, Owens

Senators Dever, Heitkamp, Veda

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

18 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
19 December 31, 2020.