

**CHAPTER 57-20**  
**PAYMENT AND COLLECTION OF TAXES**

**57-20-01. Real and personal property taxes - When due and delinquent - Penalties.**

All real and personal property taxes and yearly installments of special assessment taxes become due on the first day of January following the year for which the taxes were levied. The first installment of real estate taxes, all personal property taxes, and yearly installments of special taxes become delinquent after the first day of March following and, if not paid on or before said date, are subject to a penalty of three percent, and on May first following an additional penalty of three percent, and on July first following an additional three percent, and an additional penalty of three percent on October fifteenth following. From and after January first of the year following the year in which the taxes become due and payable, simple interest at the rate of twelve percent per annum upon the principal of the unpaid taxes on personal property must be charged until the taxes and penalties are paid, with the interest charges to be prorated to the nearest full month for a fractional year of delinquency. The second installment of real estate taxes becomes delinquent after October fifteenth, and, if not paid on or before that date becomes subject to a penalty of six percent.

**57-20-01.1. Extension of due date for property taxes when county treasurer's office is closed.**

When the due date for full or installment payment of any property taxes or special assessments falls on a day on which the county treasurer's office is not open for business, the payment may be made on the first day following on which the office is open without penalty or loss of discount.

**57-20-01.2. Penalty and interest waiver.**

Expired under S.L. 2007, ch. 510, § 5.

**57-20-02. Tax list made out by county auditor.**

As soon as practicable after the taxes are levied, and after the levies of the several taxing districts within the county have been certified, the county auditor shall make out the tax lists according to the prescribed form to correspond with the assessment districts of the county. The tax percentage rate necessary to raise the required amount of the various taxes must be calculated on the taxable valuation of property after equalization by the state board of equalization, but no rate may be used which results in any fraction of less than one-half of one-tenth of a mill, and in extending any tax, it, whenever it amounts to the fractional part of a cent, must be made one cent.

**57-20-03. Form of tax list.**

The tax list must be made out to correspond with the assessment books with respect to ownership and description of property, with columns for the valuation and for the various items of tax included in the total amount of all taxes set down opposite such description of property. The amounts of special taxes must be entered in appropriate columns, but the general taxes may be shown by entering the rate of each tax at the head of the proper column without extending the same, in which case a schedule of the rates of such taxes must be made on the first page of each tax list. The tax lists also must show, in a separate column, the years for which a tax lien has been foreclosed upon any piece or parcel, if the same has not been redeemed or deeded for such taxes.

**57-20-04. Abstract of tax list to be sent to tax commissioner.**

The county auditor, on or before December thirty-first following the levy of the taxes, shall make and transmit to the state tax commissioner, in such form as the tax commissioner may prescribe, a complete abstract of the tax list of the auditor's county.

**57-20-05. Certificate of county auditor to tax list.**

The county auditor shall attach to each tax list the auditor's certificate in the following form:

STATE OF NORTH DAKOTA )  
 ) ss.  
County of )  
I, \_\_\_\_\_, auditor of \_\_\_\_\_ County, state of North Dakota, certify  
that the following is a correct list of the taxes levied on the real and personal property in the  
\_\_\_\_\_ (here name the taxing district or municipality) for the year  
\_\_\_\_\_.

Witness my hand and official seal on \_\_\_\_\_, \_\_\_\_\_.  
(SEAL) \_\_\_\_\_ County Auditor

**57-20-06. Tax lists delivered to treasurer.**

On or before December tenth in each year, the county auditor shall deliver the tax lists of the several districts of the county to the county treasurer, taking the treasurer's receipt therefor. Such lists are authority for the county treasurer to receive and collect taxes therein levied. The county auditor, immediately upon delivering such lists to the county treasurer, shall charge such treasurer with the amount of the lists delivered to the treasurer, as shown in the recapitulation thereof in a book prepared for that purpose, and the county auditor also shall charge the county treasurer in such tax list account with all additional assessments made after such lists are delivered and shall credit the treasurer with all amounts collected thereon and such other amounts as may be deducted lawfully from such lists.

**57-20-07. County treasurer to be collector of taxes.**

The county treasurer must be the receiver and collector of all taxes extended upon the list, including the state levy and the levies of every other taxing district or municipality, and including special taxes for local improvements in municipalities, and all fines, forfeitures, or penalties received by any person or officer for the school fund, or for the use of the county. The county treasurer shall proceed to collect the same according to law and shall place the same when collected to the credit of the proper funds, but the county treasurer may not be the receiver or collector of any fines or penalties accruing to any municipal corporation for the violation of its ordinances.

**57-20-07.1. County treasurer to mail real estate tax statement - Contents of statement.**

1. On or before December twenty-sixth of each year, the county treasurer shall mail a real estate tax statement to the owner of each parcel of real property at the owner's last-known address. The form of the real estate tax statement to be used in every county must be prescribed and approved for use by the tax commissioner. The statement must be provided in a manner that allows the taxpayer to retain a printed record of the obligation for payment of taxes and special assessments as provided in the statement. If a parcel of real property is owned by more than one individual, the county treasurer shall send only one statement to one of the owners of that property. Additional copies of the tax statement will be sent to the other owners upon their request and the furnishing of their names and addresses to the county treasurer. The tax statement must:
  - a. Include a dollar valuation of the true and full value as defined by law of the property and the total mill levy applicable.
  - b. Include, or be accompanied by a separate sheet, with three columns showing, for the taxable year to which the tax statement applies and the two immediately preceding taxable years, the property tax levy in dollars against the parcel by the county and school district and any city or township that levied taxes against the parcel.
  - c. Provide information identifying the property tax savings provided by the state of North Dakota. The tax statement must include a line item that is entitled

"legislative tax relief" and identifies the dollar amount of property tax savings realized by the taxpayer under chapter 15.1-27 and under section 57-20-07.2. For purposes of this subdivision, legislative tax relief is determined by multiplying the taxable value for the taxable year for each parcel shown on the tax statement by the number of mills of mill levy reduction grant under chapter 57-64 for the 2012 taxable year plus the number of mills determined by subtracting from the 2012 taxable year mill rate of the school district in which the parcel is located the lesser of:

- (1) Fifty mills; or
  - (2) The 2012 taxable year mill rate of the school district minus sixty mills.
2. Failure of an owner to receive a statement will not relieve that owner of liability, nor extend the discount privilege past the February fifteenth deadline.

**57-20-07.2. State-paid property tax relief credit.**

1. The owner of taxable property is entitled to a credit against property taxes levied against the total amount of property or mobile home taxes in dollars levied against the taxable value of the property. The credit is equal to twelve percent of property or mobile home taxes levied in dollars against that property.
2. The owner, operator, or lessee of railroad property assessed by the state board of equalization under chapter 57-05 or public utility operative property assessed by the state board of equalization under chapter 57-06 is entitled to a credit against property taxes levied within each county against that property in the amount provided in subsection 1 against property taxes levied in dollars against that property in that county.
3. The owner, operator, or lessee of transmission lines assessed by the state board of equalization under section 57-06-17.3 is entitled to a credit against taxes per mile in the amount provided in subsection 1. The tax commissioner shall determine the total amount of credits under this subsection and certify the amount to the state treasurer for transfer from the general fund to the electric generation, transmission, and distribution tax fund. The credit for each transmission company must be allocated and distributed to counties in the same manner as the tax collected from that company is allocated.
4. The owner, operator, or lessee of electric transmission or distribution property assessed by the state board of equalization under section 57-33.2-02 or 57-33.2-03 is entitled to a credit against the transmission or distribution tax in the amount provided in subsection 1. The tax commissioner shall determine the total amount of credits under this subsection and certify the amount to the state treasurer for transfer from the general fund to the electric generation, transmission, and distribution tax fund. The credit for each transmission or distribution company must be allocated and distributed to counties in the same manner as the tax collected from that company is allocated.
5. The owner, operator, or lessee of operative property of an air carrier transportation company assessed and taxed under chapter 57-32 is entitled to a credit in the amount provided in subsection 1 against property taxes in dollars levied against that property. The tax commissioner shall determine the total amount of credits under this subsection and certify the amount to the state treasurer for transfer from the general fund to the air transportation fund. The credit for each air transportation company must be allocated to each city or municipal airport authority where that company makes regularly scheduled landings, in the same manner as the tax collected from that company is allocated.
6. The tax commissioner shall estimate the amount necessary to provide each county advance payment of seventy-five percent of the amount the county and the taxing districts in the county will ultimately receive for a taxable year under this section and certify the estimated amounts to the state treasurer by March fifteenth for transfer by April first to the county treasurer and distribution to the county and taxing districts in the county as provided in subsection 7.

7. The tax commissioner shall determine the total amount of credits under this section for each county from the abstract of the tax list filed by the county auditor under section 57-20-04, as audited and corrected by the tax commissioner. The tax commissioner shall certify to the state treasurer for payment, by June first following receipt of the abstract of the tax list, the amount determined for each county under this subsection. No penalty or interest applies to any state payment under this section, regardless of when the payment is made. The tax commissioner shall reduce the June certification of payments to reflect the April estimated payments previously made to counties under subsection 6.
8. Upon receipt of the payment from the state treasurer under subsections 6 and 7, the county treasurer shall apportion and distribute it to the county and the taxing districts in the county on the basis on which the general real estate tax for the preceding year is apportioned and distributed.
9. After payments to counties under subsection 7 have been made, the tax commissioner shall certify to the state treasurer as necessary any supplemental amounts payable to counties or the air transportation fund or any amounts that must be returned by counties or returned from the air transportation fund for deposit in the state general fund to correct any errors in payments or reflect any abatement or compromise of taxes, court-ordered tax reduction or increase, or levy of taxes against omitted property. The county auditor shall provide any supplemental information requested by the tax commissioner after submission of the abstract of the tax list. The county treasurer shall apply to the tax commissioner for any supplemental payments to which the county treasurer believes the county is entitled.
10. Notwithstanding any other provision of law, for any property other than mobile homes, the property tax credit under this section does not apply to any property subject to payments or taxes that are stated by law to be in lieu of personal or real property taxes.

**57-20-08. Tax receipts filed with county auditor - Copies retained and filed numerically by county treasurer.**

Upon the payment of any tax, if directed by the board of county commissioners, the county treasurer shall give to the county auditor a receipt therefor showing the name and post-office address of the person who paid the tax, the amount and date of payment, the land, lot, or other property upon which the tax is levied, according to the description on the tax list, or in some other sufficient manner, and the year or years for which the tax was levied. If for current taxes on real estate, the receipt must have written or stamped across its face "taxes for" (giving the year in figures) or "first installment taxes" (giving the year in figures) or "second installment taxes" (giving the year in figures), as the case may be. Each year's tax must be on a separate receipt. If the county treasurer has given notice of tax lien for land and the tax lien has not been foreclosed, the receipt for such taxes must have written or stamped across the face "tax lien", with a statement of the years for which any of the real estate described therein is subject to a tax lien. If directed by the board of county commissioners, the treasurer shall provide receipts at the end of each day to the county auditor, who shall file and preserve them in the auditor's office charging the treasurer with the amount thereof. A copy of each receipt must be preserved in the office of the county treasurer and filed in numerical order.

**57-20-09. Discount for early payment of tax.**

Except as provided in section 57-20-21.1, the county treasurer shall allow a five percent discount to all taxpayers who shall pay all of the real estate taxes levied on any tract or parcel of real property in any one year in full on or before February fifteenth prior to the date of delinquency. Such discount applies to all general real estate taxes levied for state, county, city, township, school district, fire district, park district, and any other taxing districts but does not apply to personal property taxes or special assessment installments. Whenever the board of county commissioners, by resolution, determines that an emergency exists in the county by virtue of weather or other catastrophe, it may extend the discount period for an additional thirty days.

**57-20-10. Installment payments of real estate tax.**

Real estate taxes, either current or delinquent, may be paid in installments of not less than ten percent of the amount of the tax, plus penalty and interest if any, but each such installment in no event may be less than ten dollars. Credit must be given on the tax records for the installment payments so made, and penalty and interest must be computed only upon the balance of the tax remaining unpaid.

**57-20-11. County warrants receivable for taxes.**

The county treasurer shall receive in payment of taxes, county warrants on the several funds for which taxes may be levied, to the amount of the tax for such fund, without regard to priority of the numbers of the warrants, except when otherwise provided by law, and the county treasurer shall write or stamp across the face of all such warrants the date of their receipt and the name of the person from whom received.

**57-20-12. Endorsement of road warrants.**

When any person desiring to pay any taxes due and unpaid presents a warrant on the road fund of that person's road district, in payment of such taxes as it may be applied to, which shall exceed the amount that the treasurer is authorized to receive in such warrants in payment of such taxes, the treasurer shall endorse on the back of such warrant in part payment the amount the treasurer is authorized by law to receive and shall date the same. The treasurer shall take two receipts from the holder thereof for the amount so endorsed and paid, showing the date of the endorsement, a full description of such warrant, including the date thereof, to whom issued, the amount for which it was given, and all the endorsements, including registration, if registered. On the day the receipts are received, the county treasurer shall file one receipt with the county auditor and shall retain the other as the treasurer's voucher.

**57-20-13. Negotiable paper may be accepted for taxes and fees.**

The county treasurer, and other officials charged with the duty of collecting public moneys, in their discretion, may accept bank checks, bank drafts, and express and post-office money orders in payment of any tax, assessment, fee, or license. Upon payment of taxes, the treasurer shall note on the tax receipt the method or manner, whether in cash, or by check, draft, or money order, and a like notation must be made on the tax list, and in case of satisfaction of tax lien, the notation as to method or manner of payment must be made on the auditor's satisfaction of tax lien record.

**57-20-14. Acceptance subject to payment.**

The acceptance of any check, draft, or money order in payment of any tax, fee, or license does not constitute payment until it has been duly honored and paid, and acceptance is subject to collection.

**57-20-15. Deposit and refund.**

The county treasurer or other official, accepting checks, drafts, or money orders in payment of any tax, assessment, fee, or license, shall deposit the same in the manner provided by law. If thereafter any check, draft, or money order is returned unpaid to the bank with which it was deposited, such bank shall return such unpaid check, draft, or money order to the officer who deposited the same and if such amount has been included in any cashier's check given by said bank, such bank is entitled to a refund in the amount of such unpaid check, draft, or money order.

**57-20-16. Cancellation on nonpayment of paper.**

If, on the due presentment, any check, draft, or money order accepted in payment of any tax, fee, or license, for any reason, is not honored or paid, any record of payment or redemption that may have been made on any official record because of the acceptance of such check, draft, or money order, must be canceled, and the tax, assessment, fee, or license stands as a charge and lien just as though no credit had been given or payment attempted. For the purpose of

making certain such cancellation, the officer accepting any check, draft, or money order shall make whatever memoranda may be necessary to enable the officer to make the proper cancellation upon the return of any such instrument unpaid.

**57-20-17. Notice of cancellation.**

Whenever a cancellation of a credited payment has been made in accordance with section 57-20-16, the officer making such cancellation shall make a record thereof in a book to be kept by the officer for that purpose. The officer shall give notice by registered or certified mail to the person who attempted to make payment by such unpaid check, draft, or money order, of the cancellation of the payment, by mailing the same to that person at the post-office address given on the tax records of the officer's office, or if no address is given, then to that person's last-known post-office address. The validity of any tax, assessment, fee, or license, or of any penalties accruing thereon, is not affected by any failure to give, nor by irregularity in giving, such notice.

**57-20-18. Refund to balance books.**

Whenever the collection as evidenced by the treasurer's receipt has been entered upon the treasurer's collection register, and the books have been closed for the month, so that the treasurer cannot void the receipts issued for any check, draft, or money order received in payment of any tax, assessment, fee, or license, and unpaid, without disturbing the balances for the month, the county auditor, upon the application of the county treasurer, shall issue a refund voucher to balance such voided receipts, and such application is sufficient without the approval of any governing body or the state tax commissioner. The county treasurer, within twenty-four hours after the receipt of notice of nonpayment of credited items, shall make an entry in red ink on the tax list, or other record wherein credit has been entered, and likewise upon the collection register, and the receipt so voided. Such entry must be substantially as follows: "Receipt voided on account of bad check (or other instrument) and auditor's refund voucher No. \_\_\_\_\_ issued to balance".

**57-20-19. Right to pay up contracts for taxes.**

Any owner of real property who has entered into an extension contract under the provisions of chapter 240 of the 1937 Session Laws, or under chapter 227 of the 1939 Session Laws, if such contract is in force, has the right to discharge the interest in full upon that person's obligation by paying interest at four percent from April 1, 1941. Any owner who has entered into such an extension contract, or that owner's successor in interest, or any lien or mortgageholder, has the right to pay the full amount remaining unpaid upon such extension contract at any time while such contract is in force.

**57-20-20. Payment of tax under protest - Determination of uncontested amount.**

Any person against whom any tax is levied, or who may be required to pay the same, may pay such tax under protest to the county treasurer, by giving notice in writing to such treasurer at the time of payment, specifying the reasons for such protest, and thereafter, within sixty days, that person may apply in writing to the board of county commissioners for an abatement, adjustment, or refund of taxes thus paid, or any portion thereof, and if such application is rejected, in whole or in part, or if the board fails to act upon the person's application within sixty days, it shall notify the applicant of the disposition of the person's application and of the person's right to appeal as provided by law. The application to the board of county commissioners must show the post-office address of the taxpayer and notice to such address by registered or certified mail is sufficient service of the notice of rejection or approval of the taxpayer's application.

The uncontested amount of taxes paid under protest is the amount of taxes that would be payable if the application for abatement, adjustment, or refund is approved by the board of county commissioners as submitted.

**57-20-21. Segregation of contested amount of taxes paid under protest.**

Whenever taxes have been paid under protest, the county treasurer shall deduct the uncontested amount of the taxes paid under protest as determined under section 57-20-20 and keep the contested amount of the money thus paid and collected in a separate fund known as "taxes paid under protest fund". The uncontested amount of taxes paid under protest may be allocated immediately as provided by law. The amount deposited in the taxes paid under protest fund may not be paid or disbursed to the state, to any fund of the county, nor to any local taxing district, until the period prescribed in section 57-20-20 has expired, and in case an action is commenced, the county treasurer shall retain the contested amount in such fund, until such action is finally determined.

**57-20-21.1. Priority for delinquent taxes.**

When payment is made for any real or personal property taxes or special assessments, payments must be applied first to the oldest unpaid delinquent taxes or special assessments due, if any, shown to exist upon the property for which the tax payments are made, including any penalty and interest. The discounts applicable to payment of taxes set out in section 57-20-09 do not apply to payment of taxes made on property upon which tax payments are delinquent.

**57-20-22. Disposition of penalty and interest.**

All penalties on general taxes and interest on certificates of sale issued, or deemed to be issued to the county, or tax liens against the property belong to the county and become a part of the general fund or of any other fund as the county commissioners may direct, except penalties and interest collected on taxes and parts of taxes due to townships, cities, school districts, and park districts and on special assessments for public improvements, which must be paid to the municipality levying the same, or whatever other taxing district or agency thereof is entitled to the original amount of the taxes or assessments.

**57-20-23. County responsible for collecting and transmitting state taxes.**

Each county is responsible to the state for the full amount of the taxes levied for state purposes, except such amounts or taxes as have been canceled as uncollectible, or canceled or abated, as provided by law. If any county treasurer proves to be a defaulter, to any amount, of state revenue, the county shall make up the deficiency from revenues derived from the county's general fund levy authority over a period of three years, without interest, and the county can have recourse to the official bond of the county treasurer for indemnity.

**57-20-24. Warrants to be drawn for money due owners.**

Repealed by S.L. 1999, ch. 503, § 47.

**57-20-25. County treasurer to transmit delinquent list to auditor.**

Repealed by S.L. 1999, ch. 503, § 47.

**57-20-26. Treasurer to give notice of tax lien by mail.**

Between the first and fifteenth of November of each year, the county treasurer shall mail to each owner of any lot or tract of land for which taxes are delinquent a notice giving the legal description of that lot or tract and stating that the taxes are delinquent and constitute a lien against the property. The notice must advise the owner that unless the delinquent taxes and special assessments with penalty, simple interest at the rate of twelve percent per annum from and after January first following the year in which the taxes become due and payable, and costs established under subsection 5 of section 57-28-04 are paid by October first of the second year following the year in which the taxes became delinquent, the county auditor will foreclose on the tax lien and issue a tax deed to the county.

**57-20-27. Mistake in name of owner does not invalidate tax lien.**

A tax lien may not be considered invalid for the reason that the real estate has been charged in any name other than that of the rightful owner.

**57-20-28. Collection of real estate taxes on leasehold or other possessory interest.**

1. If any holder of a leasehold or other possessory interest in exempt real property neglects or refuses to pay any real estate taxes legally assessed and levied on that property at the time required by law for the payment of real property taxes, the taxes shall constitute a personal charge against the holder of the lease or other possessory interest from and after the day they become due, and all of the provisions of law with respect to the enforcement of collection of personal property taxes are applicable.
2. For property subject to assessment under the provisions of subsection 2 of section 57-02-26, taxes upon the property constitute a personal charge against the lease or easement holder from and after the day they become due, and all of the provisions of law with respect to the enforcement of collection of personal property taxes are applicable.