

RED RIVER VALLEY PREP

August 23, 2006

Report of Marcy Dickerson, State Supervisor of Assessments, North Dakota Tax Department

Q. Who uses the Statement of Full Consideration?

A. 11-18-02.2. Statements of full consideration to be filed with state board of equalization or recorder - Procedure - Secrecy of information - Penalty.

1. Any grantee or grantee's authorized agent who presents a deed in the office of the county recorder shall certify on the face of the deed any one of the following:
 - a. A statement that the grantee has filed a report of the full consideration paid for the property conveyed with the state board of equalization.
 - b. A statement that the grantee has filed a report of the full consideration paid for the property conveyed with the recorder.
 - c. A statement of the full consideration paid for the property conveyed.
 - d. A statement designating one of the exemptions in subsection 6 which the grantee believes applies to the transaction.
2. The recorder shall not record any deed unless it contains one of the statements required by subsection 1.
3. The recorder shall accumulate and at least monthly forward to the state board of equalization a report containing the information filed in the recorder's office pursuant to subsection 1.
4. The state board of equalization shall prescribe the necessary forms for the statements and reports to be used in carrying out the purposes of this section, and the forms will contain a space for the explanation of special circumstances which may have contributed to the amount of the consideration.
5. For purposes of this section, the word "deed" means an instrument or writing whereby any real property or interest therein shall be granted, conveyed, or otherwise transferred to the grantee, purchaser, or other person, except any instrument or writing which transfers any ownership in minerals or interests in minerals underlying land if that ownership has been severed from the ownership of the overlying land surface or any instrument or writing for the easement, lease, or rental of real property or any interest therein.
6. The provisions of this section do not apply to deeds transferring title to the following types of property, or to deeds relating to the following transactions:
 - a. Property owned or used by public utilities.
 - b. Property classified as personal property.
 - c. A sale when the grantor and the grantee are of the same family or corporate affiliate, if known.
 - d. A sale which resulted as a settlement of an estate.
 - e. All sales to or from a government or governmental agency.
 - f. All forced sales, mortgage foreclosures, and tax sales.
 - g. All sales to or from religious, charitable, or nonprofit organizations.
 - h. All sales when there is an indicated change of use by the new owners.

- Q. When should this be used instead of a consideration statement on the deed?
- A. A person who wants to keep the full consideration paid for a property confidential should file a statement with the State Board of Equalization or the recorder.

Note: A statement of full consideration must be filed with the Department of Transportation when a purchaser of a mobile home submits application for a title. [N.D.C.C. § 57-55-01.2]
There is no secrecy provision for statements of mobile home full consideration.

- Q. Are property taxes based on info in the consideration statement or board of equalization?
- A. Information from statements of full consideration is used in the annual assessment/sales ratio study. Information is aggregated by county and by major city. The sales/assessment ratio study indicates how values placed on properties by assessors relate to market value. If a county's or major city's assessments are outside a 5 percent tolerance, i.e., not within 95 to 105 percent of market value, the State Board of Equalization may raise or lower assessments in that county or city.

- Q. Exemptions from filing a statement of full consideration:

- A. a. Property owned or used by public utilities.
b. Property classified as personal property.
c. A sale when the grantor and the grantee are of the same family or corporate affiliate, if known.
d. A sale which resulted as a settlement of an estate.
e. All sales to or from a government or governmental agency.
f. All forced sales, mortgage foreclosures, and tax sales.
g. All sales to or from religious, charitable, or nonprofit organizations.
h. All sales when there is an indicated change of use by the new owners.
i. All transfer of ownership of property for which is given a quitclaim deed.
j. Sales of property not assessable by law.
k. Agricultural lands of less than eighty acres [32.37 hectares].
l. A transfer that is pursuant to a judgment.

The Information on
This Form Is
Confidential
N.D.C.C. Sec. 11-18-02.2(7)

North Dakota State Board Of Equalization
Statement Of Real Estate Full Consideration

Mail to: Secretary of the State Board of Equalization
North Dakota Office of State Tax Commissioner
600 E. Boulevard Ave., Dept, 127
Bismarck, ND 58505-0599

1. Name of Grantee (Purchaser)		2. Address of Grantee (Purchaser)	
3. Name of Grantor (Seller)			
4. Location of Property Transferred (Number & Street or R.R.)	5. <input type="checkbox"/> City	<input type="checkbox"/> Township	6. County
7. Legal Description (Fill in legal description below or attach a copy of legal description from instrument of conveyance.)			

Lot No.: _____ Block No.: _____ Plat Name: _____
Or: _____

8. Date on which purchase agreement was made: Month: _____ Year: _____

9. Total Purchase price (fill in amount paid or to be paid exclusive of any interest payments)..... \$ _____

10. Total value of personal property included in purchase price:
(furniture, appliances not built in, machinery, crops, livestock, etc.)..... \$ _____

11. Kind Of Property: Land Only New Building Building Previously Used

12. Principal Intended Use: Agricultural Commercial/Industrial Residential

Other (explain): _____

a. If agricultural, was property used to expand present farming unit? Yes No

b. If agricultural, the number of acres purchased was: _____

c. If agricultural, did purchase include buildings? Yes No If yes, estimate the value of buildings \$ _____

13. Was the property: purchased from a relative, a gift, an exchange, a forced or tax sale, or sold to settle an estate? Yes No

14. In your opinion, was the sale or transfer made at fair market value (willing buyer, willing seller)? Yes No
If "no," briefly explain why: _____

I (we) certify under penalty of law that this statement, including the legal description in "7" above, has been examined by me (us) and to the best of my (our) knowledge and belief it is true, correct and complete.

Sign Here: _____
Signature of Grantee (Purchaser) or Authorized Agent

Date

**State Board Of Equalization
Report Of The County Recorder - Schedule A**

Reports of Full Consideration Filed with the State Board of Equalization

County of _____ For the month of _____, 20 _____ Page _____ of _____

Date of Transaction	Grantee's Name and Address	Book and Page or Document Number	Legal Description

State Board Of Equalization

I have verified that this transaction should not be included in the assessment sales ratio study for the following reason(s):

- 1. Property owned or used by public utilities.
- 2. Property classified as personal property.
- 3. A sale where the grantor and the grantee are of the same family or corporate affiliate.
- 4. A sale which resulted as a settlement of an estate.
- 5. A sale to or from a government or governmental agency.
- 6. Forced sale, mortgage foreclosure, or tax sale.
- 7. Sales to or from a religious, charitable, or nonprofit organization.
- 8. A transfer of ownership of property for which is given a quitclaim deed.
- 9. Sales of property which is not assessable by law.
- 10. Agricultural lands of less than eighty acres.
- 11. Sales where only a part interest in the property has been sold.
- 12. The date of the sale was not within the base period.
- 13. Sales for a completed structure, whereas the assessment records show only a partial assessment on the structure.
- 14. The subject property constitutes, or is a part of, an exchange of properties.
- 15. The deed resulted from the completion of a contract made prior to the current year.
- 16. The grantor is transferring property to avoid a lien or judgment.
- 17. Sales where there is an indicated change of use by the new owner.
- 18. Agricultural lands where a large portion of the sale price is attributed to farm buildings which are exempt from taxation.
- 19. Sales where the total sale price includes the price paid for a significant amount of personal property which is difficult to evaluate.
- 20. Sales of vacant lots which show a building having been erected and assessed at this location since the date of the sale.
- 21. Sales where the property described in the deed does not coincide with the assessment records in the county auditor's office.
- 22. Sales of commercial or residential property where the building has been removed or destroyed and the assessment records shows only a valuation for the land.
- 23. Other reasons not listed above (explain): _____

In compliance with N.D.C.C. §§ 57-01-07(2) and 57-55-01.2, I verify that the above information is true to the best of my knowledge.

Signature _____

Date _____