

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 497
SENATE BILL 403

AN ACT TO PROVIDE FOR THE CANCELLATION OF A MONEY JUDGMENT
BY THE CLERK OF COURT UPON FULL PAYMENT BY THE DEBTOR AS
RECOMMENDED BY THE GENERAL STATUTES COMMISSION AND THE
CONFERENCE OF CLERKS OF SUPERIOR COURT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 1-239(a) is hereby rewritten to read as follows:

"(a) Payment of money judgment to clerk's office.

- (1) The party against whom a judgment for the payment of money is rendered by any court of record may pay the whole, or any part thereof, in cash or by check, to the clerk of the court in which the same was rendered, although no execution has issued on such judgment.
- (2) The clerk shall give the party a receipt showing the date and amount of the payment and identifying the judgment, and shall note receipt of the payment on the judgment docket of the court. If the payment is made by check and the check is not finally paid by the drawee bank, the clerk shall cancel the notation of receipt and return the check to the party who tendered it.
- (3) When a payment to the clerk is made in cash or when a check is finally paid by the drawee bank, the clerk shall give the notice provided for in subsection (b). When the full amount of a judgment has been so paid, the clerk shall include the words 'JUDGMENT PAID IN FULL' in the notice.
- (4) When a judgment has been paid in part, but not in full, the clerk shall furnish a certificate of partial payment to the clerk of superior court of any county to which a transcript of a judgment has been sent, but only upon the request of that clerk or of the party who made the partial payment.
- (5) When a judgment has been paid in full, and the party in whose favor the judgment was rendered has collected all payments made to the clerk, or when ten days have passed since notice of payment in full was sent pursuant to subsection (b) and the party has neither collected all payments made to the clerk nor notified the clerk that the party disputes payment of the full amount of the judgment, then the clerk shall immediately:

- (i) mark 'PAID AND SATISFIED IN FULL' on the judgment docket, and
 - (ii) forward a certificate of payment in full to the clerk of superior court in each county to which a transcript of the judgment has been sent.
- (6) If the party in whose favor a judgment has been rendered notifies the clerk that the party disputes payment in full of the judgment, the clerk shall proceed as provided in G.S. 1-242.
- (7) Entries of payment or satisfaction on the judgment dockets in the office of the clerk of the superior court by any person other than the clerk shall be made in the presence of the clerk or his deputy, who shall witness the same."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 29th day of June, 1987.