

A BILL

FOR AN ACT RELIEVING REAL ESTATE FROM DOUBLE TAXATION IN CERTAIN CASES, AND TAXING MORTGAGES TO A CERTAIN EXTENT AS REAL ESTATE.

SECTION 1. *Be it enacted by the General Assembly of the State of Iowa,* When any person
2 has an interest in real estate as holder of a mortgage, hereafter made or hereafter extended,
3 given to secure the payment of money, the amount of which is fixed and certain, and which
4 has been duly recorded, the amount of said person's interests as mortgagee shall be assessed
5 to said mortgagee as real estate in the city, town or township where the land lies, and the
6 mortgagor shall be assessed only for the value of said real estate after deducting the mortga-
7 gee's interests therein which have been taxed as herein provided, and the assessment to carry
8 out the provisions of this act shall be made in each year during the legal time for assessing
9 property in each year.

SEC. 2. If any such mortgagee or holder of such mortgage shall fail to give to the assessor,
2 as required by law, a statement under oath of all his estate liable to taxation hereunder,
3 including a statement of the full amount remaining unpaid upon said mortgage and his
4 interest therein, the amount stated in said mortgage deed shall be conclusive as to the
5 extent of his interest therein: *provided, however,* that nothing herein shall be construed to
6 allow the taxing of said mortgagee's interests in real estate to a greater extent than the
7 whole assessed value of the land and structures thereon or affixed thereto.

SEC. 3. Mortgagors and mortgagees hereinbefore referred to shall, for the purposes of tax-
2 ation, be deemed joint owners until the first mortgagee may acquire possession by foreclosure
3 and sale as provided by law, who shall then be deemed sole owner; any mortgagee other than
4 the first in possession, as aforesaid, shall be deemed joint owner with prior mortgagees.

SEC. 4. All taxes assessed as herein provided shall constitute a lien upon the land and
2 structures thereon or affixed thereto, and provisions of law relating to the collection of taxes
3 on real estate shall apply to taxes so assessed.

SEC. 5. If any part of the taxes duly assessed upon real estate under the provisions of this

2 act shall remain unpaid on the first day of February next ensuing after the same has been
 3 assessed, either party may pay the same: and, if paid by any mortgagee, the mortgagee so
 4 paying may take from the treasurer the ordinary tax receipt by law required to be given to
 5 taxpayers, with a note of reference on the receipt and on the tax record to the mortgage
 6 deed; and such sums so paid for taxes other than those assessed to himself, with costs, pen-
 7 alty and interest, shall be added to and constitute a part of the principal sum of the mort-
 8 gage; and in such case the payment of said taxes, with the said note of reference on the said
 9 tax record, shall be notice to all persons of the sums so paid other than those assessed to
 10 himself and of the lien thus created upon the estate. When taxes so assessed to any mort-
 11 gagee have been paid by the mortgagor, or those claiming under him, to either the treasurer
 12 or any mortgagee paying the same, as herein provided, such mortgagor shall have the right
 13 to deduct the sum so paid, with the costs, penalty and interest thereon, from the amount due
 14 the mortgagee to whom said taxes were assessed.

SEC. 6. Loans on mortgage of real estate within the state of Iowa, assessed as real estate,
 2 as hereinbefore provided, shall be exempt from taxation as personal property to the amount
 3 they are so assessed as real estate, and any excess above such amount shall be taxed as now
 4 provided by law.

SEC. 7. No mortgagor in contemplation of this act shall have the right to deduct the
 2 amount of any mortgage debt, or part thereof, which shall have been executed by him from
 3 the amount of his moneys and credits which he is required to list, or have listed, and
 4 assessed, except to the extent that said mortgage may exceed the assessed value of the real
 5 estate mortgaged.

SEC. 8. The state board of equalization shall have nothing to do with adding to or deduct-
 2 ing from any mortgagee's real estate interest contemplated in this act, in performing its
 3 duties under subdivisions 1 and 2 of section 834 of the Code of Iowa.

SEC. 9. It shall be the duty of the assessor to carefully inquire of and learn from each
 2 taxpayer whether or not he has a mortgagee's real estate interest or is a mortgagor as in this
 3 act contemplated, and such assessor shall make the assessment as herein provided, and if any
 4 assessor shall fail or neglect to perform any of the duties required of him by this act at the
 5 time and in the manner specified, he shall be liable to a fine, the same as provided by section
 6 827 of the Code of 1873.

SEC. 10. Nothing herein contained shall be construed to prevent the reassessment of
 2 taxes invalid for irregularity, in any manner.

SEC. 11. This act, being deemed of immediate importance, shall be in force and take
2 effect immediately after its publication in the *Daily State Register* and
3 newspapers published at Des Moines, Iowa.