

## CHAPTER 159.

## RELATING TO TAXES IN AID OF RAILROADS.

H. F. 398.

AN ACT to Repeal Chapter 123 of the Laws of the Sixteenth General Assembly and Chapter 87, and 173, of the Laws of the Seventeenth General Assembly and Chapter 192 of the Laws of the Eighteenth General Assembly and Chapter 102 of the Laws of the Nineteenth General Assembly in Relation to Taxes in Aid of Railroads, and to Enact a Substitute therefor.

*Be it enacted by the General Assembly of the State of Iowa:*

Chap. 123, 16  
G. A.; Chaps  
87 and 173, 17  
G. A.; Chap.  
192, 18 G. A.;  
Chap. 102, 19 G.  
A. amended.

SECTION 1. That chapter 123 of laws of the sixteenth general assembly and chapter 87 and 173 of the laws of the seventeenth general assembly and chapter 192 of the laws of the eighteenth general assembly and chapter 102 of the laws of the nineteenth general assembly be and the same are hereby repealed and the following is enacted instead thereof.

Taxes not to  
exceed 5 per  
centum may  
be voted.

SEC. 2. That taxes not to exceed five per centum on the assessed value of any township, incorporated town or city may be voted to aid any railroad company which is or may become incorporated under the laws of the state of Iowa, to aid in the construction of a projected railroad within this state as hereinafter provided.

Duties of  
trustees or  
council on  
presentation  
of petition.

SEC. 3. Whenever a petition shall be presented to the council or trustees of any incorporated town or city, or the trustees of any township signed by a majority of the resident freehold, taxpayers of such township, incorporated city or town asking that the question of aiding any railroad company incorporated under the laws of the state of Iowa in the construction of a projected railroad within this state be submitted to the voters thereof it shall be the duty of the trustees or council of such incorporated town or city or trustees of such township to immediately give notice of a special election by publication in some newspaper published in said incorporated town, city or township if any be published therein, and if not then in some newspaper published in the county if any such there be and also by posting copies of said notice in five public places in such township incorporated city or town at least ten days before said election which notice shall specify the time and place of holding said election, the name of the company and the line of the road proposed to be aided, the rate per centum of the tax to be levied whether one-half of said tax shall be collected the first year, and one-half the following year or the whole thereof to be collected in one year, the amount of work required to be done and when and where the same shall be done, to what point said railroad shall be fully completed and any other conditions which shall

Notice shall  
specify.

be performed before such tax or any part thereof shall become due, collectible and payable, and in no case shall such tax become due, collectible or payable until such railroad is fully completed according to the conditions in said notice, at such election the question of taxation shall be submitted the form of the ballots shall be "for taxation" and "against taxation" and if a majority of the votes polled be "for taxation" then the recorder of the incorporated town, city or township clerk or clerk of election shall forthwith certify to the county auditor the result of said election, the rate per centum of tax thus voted the year or years during which the same is to be collected, the name of the company to which voted, and the time, terms, and conditions upon which the same when collected is to be paid to the railroad company under the conditions and stipulations in said notice together with an exact copy of the notice under which the election was held, which the county auditor shall at once cause to be recorded in the office of the recorder of deeds of the county and the expense thereof and of publishing said notices and all the expenses of said election shall be paid by the railroad company to which it is proposed to vote said tax. When such certificates shall have been made and recorded the board of supervisors of the county shall at the time of levying the ordinary taxes next following levy such taxes as are voted under the provisions of this act as shown by said certificate and cause the same to be placed on the tax lists of the proper township, incorporated city or town indicating in their order thereupon when and in what proportion the same are to be collected and upon what conditions the same are to be paid to the railroad company a certified copy of which order shall accompany the tax lists. Said taxes shall be collected at the time or times specified in said order in the same manner and subject to the same laws after they are collectible as other taxes or as may be stated in the petition and notices for the election.

Form of ballot,

Duty of recorder or clerk.

Expense to be paid by railroad company.

Duty of board of supervisors.

Collection of taxes.

Notice must conform to petition.

Sec. 4. The stipulations and conditions contained in the said notices must conform to those set forth in the petition asking the election and the aggregate amount of tax to be voted or levied under the provisions of this act in any township incorporated town or city shall not exceed five per centum of the assessed value of the property therein respectively.

Sec. 5. The moneys collected under the provisions of this act shall be paid out by the county treasurer to the treasurer of the railroad company for whom the same was voted upon the orders of the president or managing director thereof at any time after the trustees of such township or trustees or council of such incorporated town or city voting said tax or a majority of them shall have certified to the county treasurer that the conditions required of the railroad company and set forth in the notice for the special election at which the tax was voted

Money to be paid out: how and when.

Duties of trustees and council.

Duty of county treasurer.

Treasurer to issue certificate to tax payer.

Certificates assignable.

Railroad company shall issue shares of stock.

First mortgage bonds.

Board of directors liable to stockholders: when.

have been complied with and said township trustees or trustees or council of such incorporated town or city shall make said certificate when the said conditions have been complied with sufficiently to entitle the said railroad company, to the amount of such orders or when the said conditions are fully complied with and performed on the part of the railroad company, but if the costs and expenses of holding said election and of recording said certificates shall not have been paid by the railroad company then the county treasurer shall first deduct from the moneys so collected the amount of said costs and expenses and pay the same over to the parties entitled thereto.

SEC. 6. It shall be the duty of the county treasurer when required in addition to a tax receipt to issue to each tax payer on the payment of any taxes voted under the provisions of this act a certificate showing the amount of tax so paid the name of the railroad company entitled thereto and when the same was paid and the treasurer shall be entitled to charge and receive the sum of twenty-five cents for each certificate so issued. Said certificates are hereby made assignable and when presented by any person holding the legal title thereto to the president, managing director, treasurer or secretary of the railroad company receiving the taxes paid as shown by such certificate in amount showing the sum of one hundred dollars or more of taxes to have been paid for said railroad company, said railroad company shall issue or cause to be issued to said person the amount of stock of the company desiring the benefit from said taxes to the amount of said certificate or certificates and if the taxes paid as shown by said certificate or certificates amount in the aggregate to more or less than any certain number of shares of said stock then the holder of said certificates shall be entitled to receive the full number of shares of stock covered by said certificates and may make up and tender in money the balance of any share of said stock when the certificates held by him are not equal in amount to one full share of such stock, the stock for such purpose to be estimated at its par value. Whenever it shall be proposed in the petition and notice calling said election to issue first mortgages, bonds, not exceeding the sum of eight thousand dollars per mile for a railroad of three feet gauge and not exceeding the sum of sixteen thousand dollars per mile for the ordinary four feet eight and one half inch gauge in lieu of stock as herein provided it shall be lawful to issue said bonds of the denomination of one hundred dollars in the same manner as is provided for the issue of stock and in such case the petition and notice shall state the amount of bonds per mile to be issued the rate of interest and the time of payment of the interest and principal of said bonds.

SEC. 7. The board of directors of any railroad company receiving taxes voted in aid thereof under the provisions of this act, or those members thereof or either of them who shall vote to bond, mortgage or in any manner encumber said road to an

amount exceeding the sum of eight thousand dollars per mile for a railroad of three feet gauge or exceeding the sum of sixteen thousand dollars per mile for the ordinary four feet eight and one half inch gauge not including in either case any debt for ordinary operating expenses shall be liable to the stockholders or either of them for double the amount estimated of its par value of the stock by him or her held if the same should be rendered of less value or lost thereby.

SEC. 8. Should the taxes voted in aid of any railroad under the provisions of this act remain in the county treasury for more than one year after the same have been collected the right to them by the railroad company shall be considered forfeited and the persons who paid the said taxes shall be entitled to receive back from the county treasurer their pro-rata shares thereof remaining and in all such cases where any taxes have been voted or levied upon the real or personal property in any township city or town in any county in this state to aid in the construction of any railroad as hereinbefore provided and the railroad in aid of which said taxes were voted or levied has not been built or completed or operated into or through such township, city or town it shall be the duty of the board of supervisors of the county where said taxes have been voted and levied and still remain on the tax books to give the railroad company to which the tax was voted at least thirty days notice in writing to be served like original notices of their intention to abate and cancel such taxes and thereupon to cause the same to be canceled and stricken from the tax books of the county which cancellation shall remove all liens created by the levy of said taxes, but the foregoing provisions shall in no manner affect any actions which may now be pending for the recovery of any taxes heretofore voted in aid of any railroads, and in all cases where the railroad company to whom any taxes may have been or may hereafter be voted, neglects or refuses to receive such taxes or to require or permit the same to be collected and certificates therefor to be issued for the period of one year after such taxes become due and collectible and in all cases where any taxes have been heretofore voted in aid of any railroad and the conditions upon which the same were voted have not in fact been complied with and the time in which said conditions were to be fulfilled has expired all such taxes are hereby declared forfeited and canceled and the county officers of the county in which any such taxes shall have been levied and entered upon the tax books shall enter cancellation thereof upon the proper county records and in all cases where any taxes to aid in the construction of any railroad may hereafter be voted upon the inducement or promise offered on the part of said railroad company or any duly authorized agent thereof for any rebate or exemption from said tax or any part thereof or any agreed price to be paid for the stock that may be issued in lieu of said tax or a division of said tax or any portion or percentage thereof

Taxes remaining in county treasury more than one year, forfeited.

Duty of board of supervisors, when road is not built.

Taxes declared forfeited.

with any of the voters or tax payers as an inducement to procure said tax to be voted all such taxes so procured to be voted are and shall be absolutely void.

Taxes may be paid in labor or supplies.

SEC. 9. Nothing contained in this act shall preclude any tax payer who may contract with a railroad company for which taxes shall have been or may hereafter be voted under the provisions of this act to pay his tax thus voted or any part thereof in labor upon the line of said railroad or in material for its construction or supplies furnished or money paid for the construction of the road in pursuance of the terms and conditions stipulated in the notices of election in lieu of a payment to the county treasurer upon presenting to the county treasurer a receipt from said railroad company or its duly authorized agent specifying the amount of such payment the same shall be credited by the county treasurer on his tax in aid of said railroad with the effect in all respects as though the same was paid in money to the said county treasurer and when such receipts have been presented and thus credited by the county treasurer they shall have the same force and validity in his settlement with the board of supervisors as the orders from the railroad company provided for in section four of this act and provided laborers shall have lien upon said tax so voted in aid of a railroad company for the amount due them for labor performed in the construction of said railroad.

Publication.

SEC. 19 [10]. This act being deemed of immediate importance shall be in force and take effect from and after its publication in the Iowa State Register and Iowa State Leader newspapers published at Des Moines Iowa.

Approved, April 5, 1884.

I hereby certify that the foregoing act was published in the *Iowa State Register* and *Iowa State Leader* April 9, 1884.

J. A. T. HULL, *Secretary of State.*

## CHAPTER 160.

### APPROPRIATION FOR GIRLS' REFORM SCHOOL.

H. F. 327.

AN ACT Making Appropriations to the Girls' Department of the Iowa Reform School.

*Be it enacted by the General Assembly of the State of Iowa:*

\$24,938 appropriated.

SECTION 1. That there is hereby appropriated out of any funds of the state treasury not otherwise appropriated for the girls' department of the Iowa state reform school, the following sums for the purposes named: