

# A BILL

FOR AN ACT RELATING TO THE TAXATION OF MORTGAGES AND MORTGAGED REAL ESTATE, OTHER THAN CORPORATION PROPERTY.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:**

Section 1. For the purpose of this act the term "mortgage" shall be considered to include every mortgage or other conveyance of real estate and every lien thereon created by contract, given or intended as security for the payment of money, and shall also include the indebtedness secured to be paid by such mortgage or other conveyance or lien, "Except, this act shall not be construed to apply to mortgages belonging to corporations organized within this State." The term "mortgagee" shall be construed to include the holder of any such security, and the term "mortgagor" shall be construed to include the owner of the real estate subject to such security, or the person entitled to redeem therefrom.

Sec. 2. That property assessable under this act shall have deducted from the actual value thereof the full amount of legal incumbrance, mortgage or lien thereon, and the assessor in such cases shall return for taxation the assessed value of such property, less the amount of such mortgages or other liens thereon.

Sec. 3. All mortgages and other liens on property, under this act shall be assessed for taxation in the name of the record owner of such mortgages or liens at the time of such assessment; and when such assessment is entered upon the tax list it shall constitute a lien upon such mortgage or other lien, and the debt secured thereby, and the same shall be collected by the County Treasurer as other taxes.

Sec. 4. The owner of the property on which such mortgages or other liens exist, and the mortgagor in such mortgages, and the debtor in such cases of lien, shall each have the right to pay said taxes so assessed against the same, and the payment of taxes so made by them shall be considered and treated as a payment upon said indebtedness, and to the extent thereof a discharge of the same; any stipulation in the contract between the debtor and mortgagee or other lien holder to the contrary notwithstanding.

Sec. 5. In case of a sale of said mortgages or other liens by the County Treasurer to satisfy said taxes thereon, the Treasurer shall assign the same upon the record thereof and such assignment shall convey to the purchaser the full right and title to such mortgages or liens and the debts secured thereby, and the right to collect the same by action or otherwise, as their own property.

Sec. 6. All acts and part of acts in conflict with this act is hereby repealed