

CHAPTER 58.

RE-FUNDING OUTSTANDING BONDED INDEBTEDNESS.

AN ACT to authorize Counties, Cities and Towns to Re-fund outstanding Bonded Debt at a lower rate of interest, and to provide for the payment of the same. H. F. 150.

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

SECTION 1. That counties, cities and towns are hereby authorized and empowered, if by a vote of two-thirds of the board of supervisors or city or town council, as the case may be, it be deemed for the public interest to refund the indebtedness of such corporation, evidenced by the bonds thereof heretofore issued and outstanding at the time of the passage of this act, and to issue the coupon bonds of such corporation in sums not less than one hundred dollars nor more than one thousand dollars, having not more than twenty years to run, redeemable in lawful money of the United States of America, at the pleasure of such corporation, after five years from the date of their issue, and bearing interest payable semi-annually at a rate not exceeding eight per centum per annum, which bonds shall be substantially in the following form:

Board of supervisors, city or town council may re-fund incorporate indebtedness.

In bonds to run not more than twenty years.

No. _____

The _____ of _____, in the State of Iowa, for value received, promises to pay _____ or _____ order, at the office of the treasurer of said _____ in _____, on the first day of _____, or at time before that date after the expiration of five _____ years at the pleasure of the said _____, the sum of _____ dollars, with interest at the rate of _____ per cent. per annum, payable at the office of said treasurer semi-annually, on the first days of _____ and _____ in each year on presentation and surrender of the interest coupons hereto attached. This bond is issued by the _____ of said _____ under the provisions of chapter _____ of the session laws of the seventeenth general assembly of Iowa, and in conformity with a resolution of said _____, dated _____ day of _____, 18____. In testimony whereof the said _____ has caused this bond to be signed by the _____ [L. S.] _____ and attested by the _____ seal attached this _____ day _____ of _____, 18____, and the interest coupons shall be in the following form:

Form of bond

§ _____

The treasurer of _____, Iowa, will pay to the holder hereof on the _____ day of _____, 18____, at his office in _____ dollars for interest on _____ bond No. _____, issued under provisions of chapter _____ of the session laws of the seventeenth general assembly.

SEC. 2. The treasurer of any such corporation is hereby authorized to sell and dispose of the bonds issued under this act at not less than their par value, and to apply the proceeds thereof to _____

Treasurer to sell the same at not less than par.

the redemption of the outstanding bonded debt; or he may exchange such bonds for outstanding bonds par for par; but the bonds hereby authorized shall be issued for no other purpose whatever; *Provided*, However, such corporation may appropriate not to exceed two per centum of the bonds herein authorized to pay the expenses of preparing, issuing, advertising and disposing of the same, and may employ a financial agent therefor.

Sec. 3. The board of supervisors or common council of any city or town, as the case may be, shall cause to be assessed and levied each year upon the taxable property of the county, city or town, as the case may be, in addition to the levy authorized for other purposes a sufficient sum to pay the interest on outstanding bonds issued in conformity with the provisions of this act, accruing before the next annual levy, and such proportion of the principal that at the end of eight years the sum raised from such levies shall at least equal fifteen per cent. of the amount of bonds issued; at the end of ten years at least thirty per cent. of the amount, and at or before the date of maturity of the bonds, shall be equal to the whole amount of the principal and interest; and the money arising from such levies shall be known as the bond fund, and shall be used for the payment of bonds and interest coupons, and for no other purpose whatever; and the treasurer of such county, city or town, shall open and keep in his book a separate and special account thereof, which shall, at all times, show the exact condition of said bond fund.

Sec. 4. *Whatever* [whenever] the amount in the hands of the treasurer of any such county, city, or town belonging to the bond fund, after setting aside the sum required to pay the interest coupons maturing before the next levy, is sufficient to redeem one or more bonds, he may notify the owner of such bond or bonds that he is prepared to pay the same, with all interest accrued thereon, and if said bond or bonds are not presented for payment or redemption within thirty days after the date of such notice, the interest on such bond shall cease, and the amount due thereon shall be set aside for its payment whenever presented; *Provided*, however, that nothing herein shall be construed to mean that any such bond or bonds issued in accordance with this act, shall be due or payable before the expiration of five years after its date of issue.

All redemptions shall be made in the exact order of their issuance, beginning at the lowest or first number, and the notice herein required shall be directed to the post-office address of the owner, as shown by the record kept in the treasurer's office.

Sec. 5. If the board of supervisors of any county, or the common council of any city or town which has issued bonds under the provisions of this act shall fail to make the levy necessary to pay such bonds or interest coupons at maturity, and the same shall have been presented to the treasurer of any such county, city, or town, and payment thereof refused, the owner may file the bond, together with all unpaid coupons, with the auditor of state, taking his receipt therefor, and the same shall be registered in the auditor's office, and the executive council shall at their next

Proviso:
expense of
preparing
and dispos-
ing of bonds.

Levy to pay
interest on
bonds,

And part of
principal.

Treasurer
shall keep a
separate ac-
count of said
fund.

Upon notice
to bond-
holder by
treasurer, in-
terest on
bond will
cease.

Proviso:

Bonds shall
be redeemed
in order of
their issuance

In case board
or council fail
to order levy,

And payment
of bond is re-
fused.

session, as a *bond* [board] of equalization, and at each annual equalization thereafter, add to the state tax to be levied in said county, city, or town, a sufficient rate to realize the amount of principal or interest past due and to become due prior to the next levy, and the same shall be levied and collected as a part of the state tax, and paid into the state treasury, and passed to the credit of such county, city, or town, as bond tax, and shall be paid by warrant as the payments mature to the holder of such obligation, as shown by the register in the office of the state auditor until the same shall be fully satisfied and discharged; *Provided*, That nothing in this act shall be construed to limit or postpone the right of any holder of any such bonds, to resort to any other remedy which such holder might otherwise have.

The State board of equalization shall add to the state tax a sufficient rate to pay amount due. And same shall be levied and collected as a part of state tax. *Proviso:* Bondholder may resort to any other remedy.

Sec. 6. This act, being deemed by the general assembly of immediate importance, shall take effect from and after its publication in the Iowa State Register, and Iowa State Leader, newspapers published at Des Moines, Iowa.

Approved, March 20, 1878.

I hereby certify that the foregoing act was published in the *Iowa State Register*, and *Iowa State Leader*, March 22, 1878.

JOSIAH T. YOUNG, *Secretary of State*.

CHAPTER 59.

TAXATION OF TELEGRAPHS.

AN ACT to Provide for the Assessment and Taxation of Telegraph Lines within the State of Iowa. Additional to Code, Title X., Chapter 6: "Of Telegraphs." H. F. 90.

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

SECTION 1. That all telegraph lines built and operated within the state of Iowa shall be subject to taxation, as hereinafter required. All telegraphs shall be subject to taxation.

SEC. 2. It shall be the duty of the president, vice-president, general manager or superintendent of every telegraph company operating a line in this state, to furnish the auditor of state, on or before the first Monday of May in each year, a statement under oath, and in such form as the auditor may prescribe, showing the following facts: *First*—The total number of miles owned, operated or leased, within the state, with a separate showing of the number leased. *Second*—The total number of miles in each separate line or division thereof, together with the number of separate wires thereon, and stating the counties through which the same is carried. *Third*—The total number of telegraph stations on each separate line, and the total number of telegraphic instruments in use therein, together with the total number of Every telegraph company shall report annually to auditor of State.