

# MAINE STATE LEGISLATURE

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# Seventieth Legislature.

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SENATE.

No. 37

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND NINE  
HUNDRED AND ONE.

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AN ACT relating to the taxation of mortgaged real estate.

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*Be it enacted by the Senate and House of Representatives in  
Legislature assembled, as follows:*

Section 1. Any person in possession, on the first day  
2 of each April, of real estate upon which there is a duly  
3 recorded mortgage given to secure the payment of money  
4 the amount of which is fixed and certain, may, within  
5 fifteen days thereafter, make return, under oath, and with  
6 other sufficient proof of the amount of debt due and secured  
7 by mortgage or mortgages, to the assessors of the town or  
8 city where such real estate is situated, and they shall  
9 deduct such sum from the total assessment made or to be  
10 made to the mortgagor upon such property, and shall  
11 assess the same, but not in excess of the total valuation,  
12 to the mortgagee whether resident or non-resident of this  
13 state. And the taxes so assessed to the mortgagee shall

14 be a lien upon such real estate and security, and payment  
15 of the same may be enforced by like means and processes  
16 as if the same had been originally assessed to the mortgagor  
17 in possession.

Sect. 2. Whenever the assessors are satisfied by suffi-  
2 cient proof that a bona fide mortgage is withheld from  
3 record by delay or for the purpose of evading taxation  
4 they shall make the same deductions and assessments as in  
5 the case of recorded mortgages.

Sect. 3. Whenever any person holding such mortgage  
2 or security assessed as aforesaid is a non-resident of the  
3 town where such property is situated, it shall be the duty  
4 of the mortgagor or person claiming deduction to pay the  
5 taxes so assessed. When the mortgagee is a resident of  
6 such town the mortgagor, after such taxes have been  
7 assessed as aforesaid, may pay such taxes, and such pay-  
8 ment, whether the mortgagee be resident or non-resident,  
9 shall constitute a payment on the security and to the  
10 extent of such payment a full discharge thereof.

Sect. 4. When such real estate is situated in two or  
2 more towns or when a recorded mortgage includes for one  
3 sum two or more parcels of real estate the assessors of  
4 each town shall determine the proportionate interests of  
5 the mortgagor and mortgagee in the property within the  
6 town for which they act, and shall assess such interests to  
7 the mortgagor and mortgagee respectively.

Sect. 5. Deeds of real estate absolute in form but given  
2 as security for loans, shall, for the purposes of taxation,  
3 be treated as mortgages.

Sect. 6. Every contract hereafter made by which a  
2 debtor is obliged to pay any tax assessed as aforesaid on

3 money loaned and secured by mortgtgage, or any agree-  
4 ment, whether evidenced by the mortgage or otherwise  
5 whereby such debtor binds himself not to return the  
6 amount due and claim deduction therefor, shall be wholly  
7 null and void.

Sect. 7. All acts or parts of acts inconsistent with this  
2 act are hereby repealed.

STATE OF MAINE.

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IN SENATE, February 1, 1901.

On motion by Mr. STAPLES of Knox, laid on table to be printed,  
pending reference to Committee on Taxation in concurrence.

KENDALL M. DUNBAR, *Secretary.*