

MAINE STATE LEGISLATURE

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SEVENTY-SECOND LEGISLATURE

SENATE.

No. 23

STATE OF MAINE.

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

AN ACT in relation to the taxation of mortgages on real
estate.

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

Section 1. Section five of chapter nine of the Revised
2 Statutes is hereby amended by inserting after the word
3 "owing" in the fourth line of said section, the following
4 words: 'Or pay interest for; but not including in such debts
5 due them or indebtedness from them any loan on mortgage
6 of real estate, taxable as real estate, except the excess of such
7 loan above the assessed value of the mortgaged real estate.'
8 So that said section as amended shall read as follows :

'Sect. 5. Personal estate for the purposes of taxation,
10 includes all goods, chattels, moneys and effects, wheresoever
11 they are; all vessels, at home or abroad; all obligations for
12 money or other property; money at interest, and debts due
13 the persons to be taxed more than they are owing, or pay

14 interest for; but not including in such debts due them or
15 indebtedness from them any loan on mortgage of real estate,
16 taxable as real estate, except the excess of such loan above
17 the assessed value of the mortgaged real estate; all public
18 stocks and securities; all shares in moneyed and other corpo-
19 rations within or without the State, except as otherwise pro-
20 vided by law; all annuities payable to the person to be taxed
21 when the capital of such annuity is not taxed in this State;
22 and all other property, included in the last preceding State
23 valuation for the purposes of taxation.'

Sect. 2. Section eight of chapter nine of the Revised
2 Statutes is hereby amended so as to read as follows:

'Sect. 8. Taxes on real estate shall be assessed in the town
4 where the estate lies, to the owner or person in possession
5 thereof on the first day of each April, and the person appear-
6 ing of record as owner on the first day of April, even though
7 deceased, shall be held to be the true owner thereof. Except
8 as provided in the three following clauses of this section,
9 mortgagors of real estate shall for the purpose of taxation
10 be deemed the owners until the mortgagee takes possession,
11 after which the mortgagee shall be deemed the owner.'

'First. If any person has an interest in real estate, not
13 exempt from taxation under section six, as holder of a duly
14 recorded mortgage given to secure the payment of a fixed
15 and certain sum of money, the amount of his interest as
16 mortgagee shall be assessed as real estate in the place where
17 the land lies; and the mortgagor shall be assessed only for
18 the value of such real estate after deducting the assessed
19 value of the interest therein of such mortgagee. If such
20 estate is situated in two or more places, the amount of the
21 mortgagee's interest to be assessed in each place shall be
22 proportioned to the assessed value of the mortgaged real
23 estate in the respective places, deducting therefrom the tax-
24 able amount of prior mortgages, if any, thereon.'

‘Second. If the holder of such mortgage fails to file in the
26 assessors’ office a statement under oath of all his estate liable
27 to taxation under the preceding clause, including a state-
28 ment of the full amount remaining unpaid upon such mort-
29 gage and of his interest therein, the amount stated in the
30 mortgage shall be conclusive as to the extent of such inter-
31 est; but his interest in such real estate shall not be assessed
32 at a greater sum than the fair cash valuation of the land and
33 the structures thereon or affixed thereto; and the amount of
34 a mortgage interest in an estate which has been divided after
35 the creation of such mortgage need not be apportioned upon
36 the several parts of such estate, except as provided in clauses
37 four, five and six of this section.’

‘Third. Mortgagors and mortgagees referred to in the two
39 preceding section shall for the purpose of taxation be deemed
40 joint owners until the mortgagee takes possession; and until
41 such possession is taken by a first mortgagee, an assessor or
42 the collector of taxes, upon application, shall give to any
43 such mortgagee or mortgagor a tax bill showing the whole
44 tax on the mortgaged estate and the amount included in the
45 valuation thereof as the interest of each mortgagee and of
46 the mortgagor respectively. If the first mortgagee is in
47 possession, he shall be deemed sole owner; and any other
48 mortgagee in possession shall be deemed joint owner with
49 prior mortgagees.’

‘Fourth. If real estate is divided by sale, mortgage, upon
51 a petition for partition or otherwise after a tax has been
52 assessed thereon and such division has been duly recorded in
53 the registry of deeds, the assessors at any time before said
54 real estate has been sold for payment of taxes, upon the
55 written request of the owner or mortgagee of any portion
56 thereof, shall apportion said tax and the costs and interest
57 accrued thereon upon the several parcels thereof, in propor-
58 tion to the value of each, and only the portion of said tax,

59 interest and costs so apportioned upon any such parcel shall
60 continue to be a lien upon it; and the owners or mortgagees
61 shall be liable only for the tax apportioned upon the parcel
62 owned in whole or in part by them respectively.'

'Fifth. Assessors shall send notice of the request for such
64 apportionment and of the time appointed therefor, by mail,
65 to every person interested in said real estate whose address
66 is known to them.'

'Sixth. A person aggrieved by any action of the assessors
68 in making such apportionment may within seven days there-
69 after appeal in like manner as in case of an over-assessment,
70 and the decision upon such appeal shall be final.'

Sect. 3. This act shall take effect when approved.

STATE OF MAINE.

IN SENATE, January 26, 1905.

Presented by Mr. GARDNER of Penobscot, and on motion by same
Senator, laid on table to be printed, pending reference to the Committee
on Taxation.

KENDALL M. DUNBAR, *Secretary.*