

**FARM REALTY TAX COLLECTION IN KANSAS
AND NINE OTHER NORTH CENTRAL STATES
1928 TO 1932**

by

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INTRODUCTION

Students and persons interested in taxation have pointed out quite effectively in recent years many of the evils and weaknesses existing in present systems of state and local taxation. They have demonstrated beyond dispute the need for tax reform.

There appears to be quite general agreement that the first step in reform must be that of relieving real estate of part of the burden which it bears at present. Once this is accomplished, the problem of overhauling the property tax system can be done with greater thoroughness and effectiveness.

However, the process of finding sources of taxes to replace those on real estate is extremely slow, and people generally are reluctant to accept proposed adjustments in the time-honored general property tax. Therefore, many students have already tackled the problem of repairing the general property tax itself in the hope that it may be made to function more equitably and effectively, even under its present burden.

Much progress has been made. Each of the four phases of property taxation, namely, assessment, equalization,

establishment of the tax rate, and collection, have received varying degrees of thorough study and consideration. As the basis of property taxes, assessment deserves, and has probably received, the greatest amount of study. No doubt efficient and intelligent assessments will aid materially to alleviate many evils which are recognized as existing in most state and local tax systems at present.

Some consideration also has been given to the equalization of property assessments as a means of preventing many inequalities in tax burdens. This phase of taxation appears to be receiving ever increasing attention as an important function of tax officials.

Tax levying functions of minor civil divisions have been the subject of much state legislation in recent years. Preparation of budgets and limitation of levies have been prescribed by several state legislatures; but there are many problems in this field which still remain unsolved.

The collection of property taxes has received comparatively little attention. It is not clear whether this is due to the fact that students of taxation have considered this phase a purely legal problem, or to the fact that, prior to the recent general economic depression, its improper functioning has not been so readily discernable.

Presumably, when a tax is extended upon the tax rolls, it represents a legally collectible claim of the state upon the property of the individual which will be liquidated sooner or later, either by payment of the taxes or by sale of the property. Tax delinquency was known to exist prior to the recent general economic depression, but it was apparently accepted as an inevitable result of the property tax system. A paragraph contained in the report of the Kansas Tax Code Commission is enlightening in this respect:

"Real property taxes are a lien upon the property upon which they are assessed. If the tax is not paid the property is sold for taxes. Most of the property finds a buyer at a price covering the tax, with penalty and interest. Not much revenue is therefore lost in collecting the real property taxes. Such improvements as can be made will follow the introduction of changes in the assessment procedure and personnel as are recommended elsewhere in this report."¹

Information available at that time concerning farm real estate tax delinquency in Kansas was not sufficient to provide a full realization of its extent and chronic character.

¹Kansas Tax Code Commission, Report to the Governor, Topeka, 1929, p. 94.

The Tax Code Commission did, however, recognize the possibilities of weakness in the administration of laws relating to the collection of taxes, viz:

"In still other cases the nonpayment of taxes on real property is deliberate. The taxpayer neglects to pay the tax and, when the property has been sold, attempts to compromise the taxes with the county commissioners for a smaller sum than was originally due. In some counties the practice of compromising taxes, which is sometimes unavoidable, has been seriously abused. In many cases county officials have compromised delinquent taxes for a small percentage of the amount actually due, thereby violating the spirit if not the letter of the law."²

When, in 1934, a study of farm tax delinquency in Kansas revealed that approximately nine and one-half per cent of the area in farms became delinquent on taxes levied in 1928, and that, by 1932, delinquent area had increased to more than 32 percent;³ it seemed imperative that an

²Kansas Tax Code Commission, loc. cit. p. 96.

³Harold Howe, "Tax Delinquency on Farm Real Estate in Kansas, 1928 to 1933," Kansas Agricultural Experiment Station Circular No. 186, Manhattan, Kansas, 1937, Table IV.

investigation of the causes of this high percentage of delinquency be made.

It was recognized, of course, that there are many fundamental causes of tax delinquency on farm lands which can in no way be attributed to any fault in collection procedures. A committee of the National Tax Association reported to the National Conference on Taxation in 1932,⁴ among the principal causes of delinquency, the following: faulty collecting practice, over-assessment, deflation in value, burdensome special assessments, and the sheer burden of property taxation.

The following pertinent statements are also taken from the same report:

"Most short-term delinquency appears to be due to a faulty collecting procedure or a breakdown in the administration thereof. Of course, all delinquency is at first short-term, but as used in this report short-term delinquency means temporary delinquency."⁵

In a later passage the report continues:

"A faulty law or faulty administration also contributes to long-term delinquency, not only because when a taxpayer

⁴National Tax Association, Proceedings of the Twenty-fifth National Conference on Taxation, 1932, pp. 304-314.

⁵National Tax Association, Ibid, p. 305.

gets behind it is hard to catch up, but because officials are even more derelict in collecting back taxes than in collecting current taxes."⁶

It will be noted that the above passages introduce the thought that collecting practices involve two things, law and administration. It is the purpose of the present discussion to examine collecting practices in Kansas from these two points of view and attempt to measure their influence on delinquency of farm real estate from 1928 to 1933. This period was chosen largely because it is the period for which rather conclusive delinquency data are available.

MATERIAL AND METHODS

The effectiveness of the collection of taxes on farm real estate in Kansas is measured by comparing delinquencies of farm lands in Kansas, during the period 1928-32, with delinquencies of farm land in nine other North Central states during the same period. The states selected are Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. Their selection was based

⁶National Tax Association, loc. cit. p. 308.

largely upon two considerations.

First, in general, similar types of farming are carried on in all of the states named.⁷ For taxation purposes, therefore, they present fairly similar problems. Second, tax collecting procedures outlined by law for all of these states can be fitted into the same general pattern for purposes of comparison, and yet they exemplify what are believed to be important details of variation.

The fact is recognized that a higher or lower percentage of tax delinquency on farm lands in Kansas than in other comparable states cannot be attributed entirely to good or bad collecting practices. An attempt is made, therefore, to show the influence of other major causes of delinquency on the results secured under Kansas collecting procedures as compared with those secured in other states.

The degree and influence of over-assessment as a cause is measured by comparing taxes per \$100 of actual value of farm lands and buildings. Such a comparison involves one disadvantage in that it takes no account of individual, as distinguished from general, over-assessments. Comparable data for measuring individual over-assessments are not available.

⁷"Types of Farming in the United States," United States Bureau of the Census, Washington, 1933, Chapter IV.

The influence of deflation in value on tax delinquency is measured by comparing index numbers of estimated value per acre of farm lands in the various states.

During the period 1928-32, special assessments were of minor importance as a part of total delinquency in each of the ten states included in this study.⁸ For this reason, it is not considered necessary to give them special consideration as a cause of delinquency.

The "sheer burden" of taxes is measured by comparing percentages of total gross income from farm production demanded for taxes. Index numbers of taxes per acre are also compared because of the fact that taxes are considered burdensome not only because of their aggregate amount, but also because of their increase.

Having considered the major causes of tax delinquency enumerated above, it is assumed that collecting practices play an important part in explaining the relative percentages of delinquency in Kansas and the other selected states left unexplained by such causes. For purposes of measurement, therefore, collection practices as a cause of tax delinquency, together with numerous minor causes, have been

⁸"Tax Delinquency of Rural Real Estate," United States Department of Agriculture, Bureau of Agricultural Economics, Washington, 1935 and 1936, (mimeo. reports by states).

assigned to a position of occupying a residual role.

It should be pointed out, also, that comparative relationships between short-term and long-term delinquency in the various states appear to be the most accurate key to relative influences of collection practices on delinquency. A high percentage of temporary, or short-term, delinquency and a low percentage of long-term delinquency year after year appear of themselves to be a clear indictment of collection practices.

Assuming the fact to be established that collecting practices form a part of the explanation for a higher percentage of farm lands becoming delinquent in Kansas than in some of the other selected states, the practices themselves are examined in rather minute detail.

Procedures outlined by law for collecting general taxes on farm real estate are taken directly from the codes and session laws of each state. Court interpretations are also given in many cases where they are readily available from annotated codes or digests. No attempt is made to add other interpretive material; but only to phrase legal technology in terms of more common usage. No attempt is made to cover or consider laws relating to the collection of special assessments where they differ from those for general taxes.

The material concerning administrative applications of laws relating to the collection of general property taxes on farm real estate in Kansas was secured by questionnaire from former county leaders of the 1934 delinquency survey mentioned previously. It was believed that these people would be in a position to give the desired information accurately, not only because of their experience in the delinquency survey, but also through the experience which many of them had gained previously as regularly elected county officials. Responses to this questionnaire, sent to the former project leader in each county, were received for 41 counties representing all sections of the state. The principal results are referred to in the text and a full tabulation of questions and answers is given in the appendix.

It is regrettable that similar information concerning the administration of tax laws is not available for other states. No doubt, much of it could be found in reports of state tax commissions and in special studies, but to include it in this discussion would have required research beyond the scope of this study.

REVIEW OF IMPORTANT LITERATURE

General discussions of tax collection and delinquency abound. The most pertinent of these are a general discussion of agencies and processes of collection by Jensen,⁹ and a discussion of good administration of collection by Lutz.¹⁰ A third very pointed discussion is that by Friedlander on the results of effective administration in Hamilton county, Ohio.¹¹

More specific general treatment of the subject of tax collection and collecting procedures is contained in the works of Kendrick¹² and Chatters.¹³ Kendrick's work,

⁹Jens P. Jensen, Property Taxation in the United States, (Chicago, c. 1931), Chapt. XIII.

¹⁰Harley L. Lutz, "Some Essentials of Good Tax Administration," National Tax Association, Proceedings of the Twenty-ninth National Conference on Taxation, 1936, pp. 325-29.

¹¹Edgar Friedlander, "Effective Method of Collecting Property Taxes in Hamilton county, Ohio," National Tax Association, Proceedings of the Twenty-fifth National Conference on Taxation, 1932, pp. 61-68.

¹²M. Slade Kendrick, "Collection of General Property Taxes on Farm Real Estate in the United States with Emphasis on New York," New York, Cornell, Agric. Exp. Sta. Bul. No. 469, 1928.

¹³C. H. Chatters, The Enforcement of Real Estate Tax Liens, Municipal Administration Service, 1928.

although it places emphasis on New York, is a thorough study of collection units and collecting officials in all states. It considers especially costs of collection under different systems in use. The work by Chatters does not cover the entire collecting procedure, but it classifies tax sale methods used by various states. It considers, also, the time of tax sales, penalties, redemption and the validity of tax deeds.

Detailed outlines of tax collecting procedures are available from several sources. One of the most complete and readily interpreted is that compiled by the National Industrial Conference Board.¹⁴ In addition to a tabular presentation of collecting procedures, this monumental work also contains a brief general discussion of collection processes in all of the 48 states.¹⁵

At ten-year intervals, the United States Bureau of the Census publishes a digest, by states, of laws relating to all phases of state taxation.¹⁶ The Census Bureau also has

¹⁴National Industrial Conference Board, Inc., State and Local Taxation of Property, New York, 1930, Tables 17-20.

¹⁵Ibid., Chapt. IV.

¹⁶United States Department of Commerce, Bureau of the Census, Digest of State Laws Relating to Taxation and Revenue: 1932, Washington, 1933.

published a summary of tax delinquency on state and local levies of 1932-33, in which there is contained a tabular presentation of tax collection procedures for all states, with changes since 1930.¹⁷

The principal sources of statistical data on taxes levied and the extent of delinquency for various states are those prepared by the United States Bureau of Agricultural Economics, in which very detailed reports of taxes levied on farm lands from 1913 to 1933 are given.¹⁸⁻¹⁹ Summarized results, by states, of the comprehensive survey of tax delinquency on farm lands conducted in 1934 are also available from the Bureau of Agricultural Economics.²⁰ A more complete report of delinquency for Kansas alone has been

¹⁷United States Department of Commerce, Bureau of the Census, Realty Tax Delinquency, Vol. I, Part I, Washington, 1934.

¹⁸Whitney Coombs, "Taxation of Farm Property," United States Department of Agriculture Technical Bulletin No. 172, Washington, 1930.

¹⁹"The Farmers' Tax Problem", House of Representatives, Document No. 406, 73 Cong., 2 Sess., Washington, 1934.

²⁰United States Department of Agriculture, Bureau of Agricultural Economics, Tax Delinquency of Rural Real Estate (Mimeographed reports by states), Washington, 1935 and 1936.

prepared by Howe.²¹

The causes of tax delinquency have been explored and discussed in considerable detail by a committee of the National Tax Association.²² The report of this committee contains a thorough examination of the suspected causes of delinquency, a general discussion of legal procedure in the collection of delinquent taxes, with citations, and a tentative draft of a model tax-collecting procedure. These subjects were discussed earlier and in a more summary manner by Jensen.²³ The latter discussion is more limited in scope, being based largely on material for the state of Colorado alone.

Legal aspects of tax collection and the validity of tax deeds have been most effectively treated by Baker.²⁴ He discusses especially the attitudes of the courts toward tax

²¹Harold Howe, "Tax Delinquency on Farm Real Estate in Kansas, 1928 to 1933," Kansas Agricultural Experiment Station Circular No. 186, Manhattan, Kansas, 1937.

²²National Tax Association, Proceedings of the Twenty-fifth National Conference on Taxation, 1932, pp. 292-335.

²³Jens P. Jensen, "Delinquent Taxes," National Tax Association, Proceedings of the Twenty-third National Conference on Taxation, 1930, pp. 228-42.

²⁴Newman F. Baker, "Tax Delinquency--Legal Aspects," Illinois Law Review, June 1933, Vol. 28, pp. 159-176.

sales and redemption and cites numerous cases in point.

EFFECTIVENESS OF TAX COLLECTING PRACTICES IN
KANSAS COMPARED WITH NINE SELECTED NORTH
CENTRAL STATES IN 1928

Among the ten selected North Central States— on the basis of either total land area or of area in farms — three states were lower than Kansas in percentage of delinquency on 1928 levies. (Table 1). Delinquency in Illinois, Indiana and Ohio was significantly lower. For Iowa and Wisconsin delinquency was only slightly higher, while for the remaining states it was considerably above that for Kansas.

Over-assessment does not explain this spread of delinquency on 1928 levies. Taxes levied on farm lands in Kansas were less than those levied in five other states including Indiana and Ohio (Table 2). Levies were much lower in some other states, notably Nebraska, for which percentages of delinquency were higher.

The comparison of taxes levied per \$100 of value is the more significant. It should be pointed out, as noted in the source of these data, that value as used here relates to "full" value as distinguished from "assessed" value.²⁵

²⁵"The Farmers' Tax Problem", loc. cit., Table 5 (note 1).

Table 1. Ranking of States According to Percentages of Area Delinquent on Levies of 1928.²⁶

State	Per cent of Total Land Area Delinquent	State	Per cent of Area in Farms Delinquent
Illinois	0.9	Illinois	1.0
Indiana	7.0	Indiana	9.0
Ohio	8.0	Ohio	10.0
Kansas	11.0	Kansas	12.0
Iowa	11.9	Iowa	12.5
Wisconsin	12.0	Wisconsin	13.0 ^a
Missouri	14.0	Missouri	20.0
Michigan	17.0	Michigan	24.0
Minnesota	23.0	Nebraska	27.0
Nebraska	24.0	Minnesota	38.0

^aComputed after deducting 39 per cent of delinquent acreage reported in cut-over forest in 1932.

²⁶From "Tax Delinquency of Rural Real Estate," U.S.D.A., Bur. of Agric. Econ. (mimeo. reports by states), Washington, 1935 and 1936.

Table 2. Ranking of Ten Selected North Central States According to Taxes Levied on Farm Lands in 1928.²⁷

State	Farm Real Estate Taxes Per Acre (Dollars)	State	Farm Real Estate Taxes per \$100 of Value (Dollars)
Ohio	\$1.42	Michigan	\$1.96
Indiana	1.38	Indiana	1.89
Michigan	1.35	Ohio	1.76
Iowa	1.15	Wisconsin	1.36
Illinois	1.11	Minnesota	1.20
Wisconsin	1.09	Kansas	1.17
Minnesota	0.85	Illinois	0.98
Kansas	0.57	Iowa	0.90
Missouri	0.47	Missouri	0.86
Nebraska	0.46	Nebraska	0.80

²⁷House of Representatives, Document No. 406, 73 Cong., 2 Sess., "The Farmers' Tax Problem," Washington, 1934 Tables 3 and 5.

By this means, the influence of variations in assessments between states is excluded.

Deflation in value, likewise, appears to fall short as an explanation of the relative percentages of delinquency among the states compared. In 1928, estimated land values in Kansas were well above the 1912-14 levels, while in those states for which delinquencies were lower land values had fallen below the base levels (Table 3). For other states in which delinquencies were high land values were also relatively high.

Table 3. Index Numbers of Estimated Value Per Acre of Farm Lands in Ten Selected States.

(U.S.D.A. "The Farm Real Estate Situation;" 1912-14=100%)

State	Index 1928	State	Index 1928
Indiana	84	Iowa	117
Illinois	96	Nebraska	117
Missouri	96	Wisconsin	120
Ohio	96	Michigan	125
Kansas	113	Minnesota	140

The sheer burden of property taxation as a cause of delinquency is not so easily measured as the other major causes considered above. A larger percentage of the gross income from farm production was demanded for taxes in six other states than in Kansas (Table 4). Again, several states which ranked higher in percentages of delinquency than Kansas, ranked lower in percentages of gross income demanded for taxes.

It is recognized that no refined comparisons can be supported on the basis of the data presented in Table 4; but they are believed to serve as indicators of relative tax burdens in the various states. A comparison on the basis of net income before deducting taxes would tell a more definite story, but data are not available for such a comparison. Even this comparison, if it could be made, would not take into account the encroachment of taxes on net income required to meet the necessary maintenance expenses of individual farm operators and their families.

It seems reasonable to believe that tax burdens are relatively heavier, regardless of their actual amount, when taxes are increasing. Table 5 shows that taxes on farm lands have increased greatly since 1913 in all of the selected states and that the larger increases have occurred

Table 4. Showing the Method of Computing Percentages of Gross Income from Farm Production Demanded for Taxes in 1928 and Ranking Ten Selected North Central States on That Basis.

State	Gross Income from Farm Production ^a (Thousands of dollars)	Acres in Farms ^b (1,000 acres)	Gross Income Per Acre (Dollars)	Taxes Levied Per Acre ^c (Dollars)	Per cent of Gross Income Demanded for Taxes
Indiana	\$335,120	19,399	\$17.02	\$1.38	8.1
Ohio	368,806	21,514	18.07	1.42	7.9
Michigan	302,831	17,119	17.69	1.35	7.6
Minnesota	430,835	30,213	13.94	0.85	6.1
Illinois	599,082	30,895	19.52	1.11	5.7
Wisconsin	422,769	21,374	19.33	1.09	5.6
Kansas	484,094	46,976	10.30	0.57	5.5
Iowa	719,135	34,019	21.14	1.13	5.4
Nebraska	419,069	44,709	9.37	0.46	4.9
Missouri	414,006	35,745	12.27	0.47	3.9

^aThese data were taken from estimates of the United States Department of Agriculture, Bureau of Agricultural Economics, "Farm Value, Gross Income, and Cash Income from Farm Production" Part V, Washington, 1930 (mimeo.).

^bFrom the 1930 Census of Agriculture.

^cHouse of Representatives, Document No. 406, 73 Cong., 2 Sess., "The Farmers' Tax Problem," Washington, 1934, Table 3.

Table 5. Index Numbers of Farm Real Estate Taxes Per Acre in 1928.²⁸

(1915=100 per cent)

State	Index	State	Index
Missouri	321	Michigan	248
Minnesota	281	Indiana	235
Kansas	276	Wisconsin	230
Ohio	269	Illinois	226
Nebraska	250	Iowa	206

²⁸ House of Representatives, Document No. 406, 73 Cong., 2 Sess., "The Farmers' Tax Problem" Washington, 1934, Table 4.

for the most part in those states, including Kansas, in which delinquencies are relatively high.

A recapitulation of comparisons which have been made up to this point indicates that further search must be made if any conclusive explanation of the wide variation in percentages of farm lands delinquent on 1928 levies in the ten selected states is to be found. It is not contended that a full explanation will be found in a comparison of collection

procedures, but it is proposed to examine laws relating to collection and administrative practices as a possible source of part of the desired explanation.

TAX LIENS

The lien of the state, county or other municipality upon the property or person of each of its citizens against whom taxes are charged is the legal basis upon which all provisions for the collection of taxes rest. Such liens have been held to exist in common law against property itself for taxes lawfully and specifically levied upon it. However, state legislatures have seen fit to extend the provisions of common law by statutory enactment. The natures of the statutory liens thus created have, to a large extent, determined the general outlines of procedures for the collection of property taxes in the various states.

One of the first objects of laws relating to tax liens in most states is to establish definite dates upon which taxes for any year become a lien against the property (Table 6.). The date established is not important to collecting procedure, except that it determines as between grantor and grantee, who shall pay the taxes when property

Table 6. Dates upon which Liens for Taxes Attach.

State	Lien for Taxes Attaches to Real Estate	State	Lien for Taxes Attaches to Real Estate
Kansas	November 1	Minnesota	May 1 ^a
Illinois	May 1	Missouri	June 1
Indiana	March 1	Nebraska	December 1 ^b
Iowa	December 31	Ohio	Day preceding second Monday of April
Michigan	December 1	Wisconsin	December 1

^aExcept as between grantor and grantee, in which case the lien does not attach until the first Monday in January of the following year.

^bChanged to January 1 by Laws of Nebraska, 1933, p. 514.

is transferred after assessment and before taxes are due. In most cases the establishment of this date is dependent upon the completion of certain other procedures, especially the levy of taxes. Courts have frequently held that taxes are not a lien until levied, and that they are not levied until extended on the tax roll.

Without exception, taxes levied on real estate constitute a lien on the land itself. It has been noted that such a condition existed at common law, but in each of the states studied common law is strengthened by statutes in this regard.

In Kansas, Illinois, Indiana, Iowa and Wisconsin real estate is held liable not only for the taxes levied directly upon it, but also for personal property taxes charged against the owner. This does not mean that collectors in these states can as a matter of mere choice elect to charge the tax on personal property against real estate. On the contrary, in Kansas the statute prescribes that it can be done only when an unsatisfied tax warrant is returned by the sheriff to the county treasurer. It is then the duty of the county treasurer, "if he believe such a delinquent taxpayer has property which cannot be reached by said tax warrant, to file with the clerk of the district court an abstract of the amount of taxes, penalty and costs, accompanied by the last tax warrant, and said clerk shall enter the amount on his judgment docket, which said unpaid tax shall become a lien on real estate, in the same manner as a judgment, and a tax warrant may thereupon be issued by said clerk, which shall have the same force as an execution,

and such real estate shall be sold without appraisalment.²⁹
 It appears, however, that this provision is little used in the collection of personal property taxes in Kansas.³⁰

Each town or district collector in Illinois is required to note, in his returns to the county collector, all cases of personal property tax that he was unable to collect which can be made from real estate of the persons owing such tax.³¹ The collector must then select some particular tract against which the tax is to be charged and charge it against the same in his application for judgment for delinquent taxes. Until this is done, the tax on personalty does not become a lien on land. It is also specified that the tax on personal property shall not be charged against real property, except in cases of removals, or where the tax cannot be collected from personal property after diligent effort on the part of the collector to collect personal taxes from personalty.

A more sweeping liability of real estate for taxes levied on personal property is established by the Statutes of Indiana.

²⁹Revised Statutes of Kansas, 1923, Sec. 79-2105.

³⁰Kansas Tax Code Commission, Report to the Governor, Topeka, 1929, p. 99.

³¹Smith-Hurd, Illinois Revised Statutes, 1927, Chapt. 120, sec. 161.

"All the property, both real and personal, situated in any county, shall be liable for the payment of all taxes, penalties, interest and costs charged to the owner thereof in such county ..."³²

The statutes of Iowa provide³³ that, "All poll taxes and taxes due from any person upon personal property shall, for a period of one year following December 31 of the year of levy, be a lien upon any and all real estate owned by such person or to which he may acquire title and situated in the county in which the tax is levied. From and after the expiration of said one year said taxes shall be a lien on all such real estate for an additional period of nine years provided said taxes are entered upon the delinquent personal tax list as provided by law."

In Wisconsin³⁴ a judgment for an uncollected personal property tax becomes a lien on real property owned by the defendant. It may be seized and sold on execution. The sheriff will deliver a deed to the purchaser, and the delinquent taxpayer has no right of redemption.

³²Burns' Annotated Indiana Statutes, 1926, Sec. 14287.

³³Code of Iowa, 1927, sec. 7203.

³⁴Wisconsin Statutes, 1927, sec. 74.11.

Although it has been seen that the laws of some states hold real estate liable for taxes levied originally on personal property under certain conditions, it is more common to find personal property bearing the first impact of the burden of taxes on real property. Such is the case in six of the ten states included in this study. In some cases there is no specific declaration of the liability of personal property for taxes levied on real estate, but it is implied from statutes authorizing personal property to be levied upon, distrained and sold for delinquent real property taxes.

Kansas statutes are not among those authorizing distraint and sale of personal property for delinquent real estate taxes. They confer no liability, direct or implied, upon personalty for taxes levied upon real estate.

In Illinois, personal property is directly liable for taxes levied on real property.³⁵ The tax on real property may be made out of personal property at any time after the tax becomes due, unless the owner makes oath, or otherwise satisfies the collector that he did not own such real property on the preceding May 1.

³⁵Smith-Burd, Illinois Revised Statutes, 1927, Chapt. 120, sec. 240.

The Indiana statutes prescribe that all property, both real and personal situated in any county, shall be liable for the payment of all taxes, penalties, interest and costs charged to the owner thereof in such county.³⁶ Pursuant to this provision, the county treasurer is directed to levy upon and sell sufficient personal property belonging to a person whose real estate taxes are delinquent and not paid within 30 days after demand, to satisfy such delinquent real estate taxes.

Although there seems to be no direct statement in the statutes of Iowa³⁷ that personal property is liable for taxes levied on real estate, county treasurers are authorized to collect all delinquent taxes by distress and sale of any personal property belonging to the person to whom such taxes are assessed, and not exempt from taxation, or any real or personal property upon which they are a lien.

Similar provisions are contained in the statutes of Michigan,³⁸ Missouri³⁹ and Wisconsin.⁴⁰ The statutes

³⁶Burns' Annotated Indiana Statutes, 1926, Chapt. 102, sec. 14288.

³⁷Code of Iowa, 1927, sec. 7189.

³⁸Compiled Laws of Michigan, 1929, Chapt. 59, sec. 3438.

³⁹Revised Statutes of Missouri, 1929, sec. 9915.

⁴⁰Wisconsin Statutes, 1927, sec. 7410.

provide that, if any person neglects or refuses to pay any tax assessed to him on demand, the officers charged with collection shall proceed to collect such taxes by seizing his personal property to an amount sufficient to satisfy the taxes, fees and charges. From such seizure no property is exempt.

From the viewpoint of effective collection, it is important that taxes be made not only a lien on the land upon which they are levied, but also that the tax lien be given a preferred status in relation to other liens which might be attached to the land. As affecting land, a tax is usually considered to be more than an ordinary debt.

The states fall roughly into two classes with reference to establishing the priority of tax liens. In the first group might be classed Kansas, Iowa, Minnesota, Ohio and Wisconsin in which states the statutes are not specific in giving tax liens priority over all other liens. However, the common law interpretation of the courts in these states appears to be quite generally that tax liens take precedence over all other liens. It should be noted that this interpretation refers to general taxes levied for the support of the states and municipalities rather than to special assessments for the support of local improvements.

The statutes of the remaining five states specify definitely that taxes upon real property, together with all penalties, interest and costs that may accrue thereon, shall be a prior and first lien on such real property, superior to all other liens and incumbrances. Here again, the statutes of Nebraska are careful to limit this provision to general taxes.

It will be seen that, in general, tax liens are given priority over mortgage liens and other claims and interests of a private nature in each of the 10 states. The word taxes is well understood as a charge levied upon the person or property for the purpose of raising a general revenue for the support of the government, and is a charge to which an individual claim on property must be deferred.

It seems to be generally held by the courts that tax liens are not subject to statutes of limitations in the various states. It is important, therefore, to discover how long such liens may continue without enforcement and still remain valid. The usual provision coincides with that contained in the statutes of Kansas which states that the lien for taxes on real estate "... shall continue until such taxes and penalty, charges and interest which may have accrued thereon, shall be paid by the owner of the property

or other person liable to pay the same."⁴¹

Among the other nine states there is only one exception to the establishment of similar perpetual liens. In Indiana, the tax lien continues only for ten years.⁴²

It should be mentioned here that, when lands are sold for delinquent taxes, the lien and interest of the state or municipality is conveyed or assigned, not extinguished.

At common law, a tax is not a debt, or in the nature of a debt. It is considered as being levied against the property and not against the owner. Any proceedings to foreclose the tax lien are proceedings in rem. This conception of the nature of taxes has remained unchanged by statute law in Kansas and five of the other states.

However, the statutes of five states⁴³ have made taxes a personal liability of the person in whose name the property is listed. The state may bring a personal action to recover delinquent taxes on real estate. An attempt has even been made in Michigan to extend personal liability for taxes to nonresidents of the state. Here, again, it should be noted that, at least in Indiana, a distinction is made

⁴¹Revised Statutes of Kansas, 1923, sec. 79-1804.

⁴²Burns' Annotated Indiana Statutes, 1926, sec. 14383.

⁴³Illinois, Indiana, Michigan, Missouri and Ohio.

between general taxes and levies for local improvements. The latter do not become a personal liability.

TAX COLLECTION UNITS

Among the ten North Central States included in this study, there are represented examples of each of the three types of collection units employed in the United States.⁴⁴ Two states, Michigan and Wisconsin, use an exclusively township system of collection. Kansas, Indiana, Iowa, Minnesota, Missouri, Nebraska and Ohio use the county unit, and Illinois uses a mixture of the two units. Illinois counties which are under township organization use the township unit, and those counties not under township organization use the county unit. The classification of Missouri should be qualified to admit that cities and towns have their own collectors.

The essential variation is, of course, between the use of a strictly township or a strictly county system. The significance of this difference has been thoroughly discussed by Kendrick in the work cited above.

⁴⁴ M. Slade Kendrick, "Collection of General Property Taxes on Farm Real Estate in the United States with Emphasis on New York," New York, Cornell Agric. Exp. Sta. Bul. No. 469, 1923.

PREPARATION FOR TAX COLLECTION

Tax Rolls

Actual preparation of tax rolls is usually considered a part of the levy and extension procedure, rather than of the collection procedure. Because of the fact, however, that the tax roll is the focal point of all collection processes, it is considered briefly as a background for the discussion which follows. It is important that the officers charged with the duty of preparing tax rolls and the designated names given to the rolls themselves be identified as they will be referred to later (Table 7).

Tax rolls are arranged in Kansas so that all taxes except school district and road taxes are entered in one column. In Illinois, Michigan, Minnesota and Wisconsin the several kinds of taxes are entered separately on the rolls. In Indiana, Iowa and Ohio total taxes are entered by installments in which payments are permitted. In Nebraska, all taxes which are uniform throughout any township are formed into a single tax which is entered upon the tax list in a single column and called a "consolidated tax."

Table 7. Officers Charged with Preparing Tax Rolls and Names Given to Completed Rolls.

State	Officers	Names given to Tax Rolls
Kansas	County Clerk	Tax Roll
Illinois	County Clerk	Collectors' Books
Indiana	County Auditor	Tax Duplicate
Iowa	County Auditor	Tax List
Michigan	Township Supervisor	Tax Roll
Minnesota	County Auditor	Tax List
Missouri	Clerk of County Court	The Tax Book
Nebraska	County Clerk	Tax List
Ohio	County Auditor	----
Wisconsin	Town Clerk	Tax Roll

Delinquent and unpaid taxes from previous years are carried forward to current tax rolls in Kansas and five other states. In Kansas, Iowa, Nebraska and Wisconsin, the amounts of delinquent taxes remaining unpaid from the previous year are entered in separate columns on the current rolls. In Illinois and Indiana, unpaid taxes of the previous year, plus penalties and charges, are added to and collected in the same manner as current taxes. However, in Indiana they are first set down separately on the current roll and subsequently added to current taxes.

Collectors

The county treasurer is the most common tax collecting official. In Kansas, Indiana, Iowa, Minnesota, Nebraska, Ohio and a part of the Illinois counties, the county treasurer serves as county collector. (Treasurers are collectors only in those Illinois counties which are under township organization. Sheriffs of counties not under township organization are ex-officio county collectors.) In Michigan and Wisconsin, township treasurers are collectors, while in Missouri, a special collector is elected for each county at the general election every four years. The same person may

hold both offices of sheriff and collector, in Missouri, but they are distinct and separate offices.

Seven of the states, including Kansas, pay collectors on a strictly salary basis. Collectors in Illinois are paid on a fee basis according to a percentage scale, set by statute, of the amount of taxes collected and varying by classes of counties. There is a mixture of payment by salary and payment on a fee basis in Michigan. In some townships, collectors are paid on a fee basis, while in certain others they receive a salary in lieu of fees, the minimum being set by statute and the exact amount being determined by the township board. The latter provision applies only in townships where it is adopted by popular referendum.

Missouri pays its collectors on a commission basis in accordance with a percentage scale, set by statute, of the amount of taxes collected (except back taxes) and varying by counties according to the amount of the annual tax levy.

Tax Receiving Offices

The statutes of Kansas provide only for the payment of taxes to the county treasurer, or his deputy, at the treasurer's office at the county seat of each county. However, the practice has grown up for banks in towns other than

county seat towns to receive payments of taxes and forward them to the county treasurer.

Similarly, in Iowa and Nebraska, it is the duty of each taxpayer to appear at the office of the county treasurer and pay his taxes.

In the remaining seven states, there are provisions which may be used for making the payment of taxes physically more convenient for taxpayers.

Although the county treasurer in Illinois counties under township organization is ex-officio county collector, the bulk of the actual collection is done by town collectors located in each township. In counties not under township organization, where the sheriff is ex-officio county collector, payments of taxes may be made only to him or his deputies. In any case, the designated collectors may appoint deputies and revoke such appointments at their pleasure.

In a like manner, township treasurers in Michigan and Wisconsin and county collectors in Missouri receive taxes at some convenient place in each township. The first installment of taxes, in Wisconsin is payable, before delinquency, only at the office of the town treasurer. The treasurer may designate banks to which taxpayers may pay the second installment.

Each of the remaining three states (Indiana, Minnesota and Ohio) has provided for the opening of strategically located branch offices for receiving taxes. In some cases, the conditions under which these offices will be opened are set by statute. In other cases, they may be opened at the discretion of the county board, or of the treasurer.

Notice to Taxpayers

Dates when taxes for each year become due are set by statutes in nine of the ten states included in this study. Missouri is the only exception (Table 8).

On or before the dates designated for taxes to become due in each state, the tax rolls must be delivered to the collectors by those officers charged with the duty of preparing them.

Taxpayers are presumed to know when taxes become due, as they are presumed to know all other provisions of law which affect their conduct as citizens. Some states, however, provide for notifying taxpayers each year, not only when taxes are due but also the amount of taxes with which each is charged. (All states provide that taxpayers may be informed of the amount of taxes with which they are charged upon their own specific individual request and the payment

Table 8. Due Dates for Taxes on Real Estate

State	Taxes are Due
Kansas	November 1
Illinois	January 2 ^a
Indiana	December 31
Iowa	First Monday in January
Michigan	December 1
Minnesota	First Monday in January
Missouri	Date is set by collector for each township. Due in first designated townships 20 days after collector receives tax books. (Usually about Oct. 1)
Nebraska	November 1 ^b
Ohio	October 1
Wisconsin	Last Monday in December

^a Changed to December 1. Laws of Illinois, 1931, p. 747.

^b Changed to January 1. Laws of Nebraska, 1933, p. 513.

of prescribed fees and postage).

Collectors in Kansas, Indiana, Minnesota and Ohio, when they receive the tax rolls, are required to publish a notice of the amount of taxes charged for state, county, township and other specific purposes for that year on each \$100 valuation. Unofficial information indicates that, in Kansas, in some years, copies of tax receipts have been mailed to individual taxpayers in some counties, even though such a procedure is not prescribed by law. In Minnesota, the collector is not required to give published notice, unless directed to do so by the county board. The notice in Ohio contains, in addition, a designation of branch offices which will be opened and the time when taxes will be received in such offices.

It is the duty of collectors in Missouri, immediately after receipt of the tax books, to give not less than 20 days posted and published notice in each township of the time and place at which they will meet the taxpayers in that township. Collectors are required to visit, either in person or by deputy, the designated places in each township and remain at each place not less than three days for the purpose of receiving and collecting the taxes. It is the duty of the taxpayers in each township to meet the collector at the time and place designated and pay the taxes charged against them.

The treasurer of each town in Wisconsin, on receipt of the tax roll, is required to post notices forthwith that the tax roll is in his hands, and that taxes are subject to payment at his office at any time prior to, or on January 31.

The statutes of Illinois make it the duty of collectors to mail to each taxpayer a carbon copy of the tax receipt at least 30 days prior to the delinquency date. The receipt contains a statement of the rates of the various taxes and of the total tax rate.

By a provision enacted in 1931, the township treasurer or other collector in Michigan is required to mail to each taxpayer, at his last known address on his tax roll, on receipt of such tax roll, a statement showing the description of the property, the assessed valuation and the amount of the tax thereon.⁴⁵

HOW TAXES MAY BE PAID (1928)

Deeding Land to the State

A unique method of paying taxes is provided in the statutes of Michigan for cases in which a levy is made on

⁴⁵Public Acts of Michigan, 1931, p. 136.

personal property for taxes assessed upon land. The levy will be released, if, within 10 days after it is made, the owner will deliver to the State Department of Conservation a deed conveying the land to the state.

Prepayments — Discounts

Prior to 1933 prepayment of taxes, or any installment thereof, were not definitely encouraged by the statutes of any of the states included in this study. Discount and other provisions enacted in 1933 for Kansas, Illinois and Wisconsin will be discussed later together with other changes which were made in 1933.

Installments

Installment payments are permitted in five states, including Kansas.⁴⁶ The other states are Iowa, Indiana, Minnesota and Ohio. The number of installments permitted in each of these states is two, arranged as shown in Table 9.

⁴⁶ By 1933, installment payments were also provided for taxpayers in Illinois, Nebraska and Wisconsin. However, the 1933 provision in Wisconsin did not begin to apply until the 1935 tax roll was due.

Table 9. Arrangement of Installments in Five States.

State	First Installment	Second Installment
	Full amount, or one-half of taxes may be paid on or before	Remaining one-half of taxes must be paid on or before
Kansas	December 20	June 20
Indiana	First Monday in May	First Monday in November
Iowa	March 1	September 1
Minnesota	June 1	November 1
Ohio	December 20 ^a	June 20

^aAll road taxes must be paid prior to December 20.

Of course, the election to pay in installments must be made by the taxpayer on or before the last day for paying the first one-half without penalty.

Payment on Part of Tract

Laws of Illinois, Michigan, Missouri, Nebraska, Wisconsin and Indiana permit a taxpayer to pay his taxes on a part of any parcel of land, when he will furnish a particular specification of that part. However, such payment does not

discharge the lien for taxes, or stay proceedings on the part for which taxes are paid, except in Wisconsin, where the balance of the taxes are a lien in residue only.

Payment of Only Specified Taxes

Taxpayers of Illinois and Michigan have still a different prerogative. They may pay any one or more of the several taxes levied by the various taxing authorities on any parcel of land. They must specify, however, in writing, the particular tax or taxes to which payment is to be applied.

Payment by Tenant -- Retaining from Rent

The laws of three states, Indiana, Michigan and Wisconsin permit an ordinary tenant of land to pay taxes and retain the amount paid from any rent due the owner, unless they have a contractual agreement to the contrary. In fact, taxes in Wisconsin are frequently assessed against the occupant or tenant of land and collected from him. In such cases, the occupant or tenant is entitled to recover from his landlord the amount paid with interest at 12 per cent per annum. Or, he may retain the same from any rent due

from him to the landlord, unless they have agreed otherwise.

Payment by Lienholder -- Additional Lien

In all of the ten states, mortgagees or other lienholders may pay taxes on land on which they hold liens in order to protect their liens. By so doing, they acquire additional liens on the land for the amounts paid plus interest. In general, lienholders may not pay the taxes until after they become delinquent. However, in Michigan, they are permitted to pay after 30 days from the time the tax becomes payable.

The interest rate allowed varies. In Kansas, it is 12 per cent on the amount of the taxes and charges paid by the lienholder. In Wisconsin it is 10 per cent, and in other states the rate is the same as that of the original lien.

Payment by a Stranger to the Title

Strangers to the title are usually barred from paying taxes on real estate and thereby securing a lien on the land. Under the laws of Ohio, however, a person owning lands may authorize or consent to the payment by another, of the taxes levied upon such lands. A person so paying

must first obtain from the owner a certificate of authority to pay them. The certificate must be signed in the presence of two witnesses and acknowledged before an officer authorized to administer oaths. It must be recorded within ten days from the date of payment of the taxes, and when so recorded it becomes a lien upon the land in preference to all subsequent liens for the amount of the tax paid plus interest at 8 per cent per annum. Action for recovery may be brought at any time after the expiration of one year from the date of payment.

COLLECTION FEES BEFORE DELINQUENCY

Collection fees, as such, are charged against individual taxpayers before delinquency in only one state. In those Michigan townships where taxes amount to less than \$50,000 and the collectors are paid on a fee basis, a collection fee of 1 per cent is added to all taxes paid before delinquency. Collection fees added after delinquency will be discussed later.

ENFORCEMENT OF COLLECTION BEFORE DELINQUENCY

In general, it is not the policy of states to enforce the collection of taxes until after they are declared delinquent. However, collectors in Missouri are charged with the duty to use all lawful means to collect all taxes with which they are charged. To that end, they have power to seize and sell the chattels of the person liable for taxes. Such seizure may be made at any time after October 1 and before taxes become delinquent. No property whatever is exempt from seizure and sale for taxes due on lands or personal property. Collectors will not receive credit for delinquent taxes until they have made affidavit that they have been unable to find any personal property out of which to make the taxes.

ADVERTISING THE TIME WHEN TAXES BECOME DELINQUENT

Taxpayers in most states are presumed to know the law and to be fully aware that their taxes become delinquent on certain dates set by statutes, and that they will be subject to have a penalty added to them if not paid on or before

those dates. There is a provision in the statutes of Minnesota, however, which is designed to remind taxpayers of this fact and to encourage payment. The board of county commissioners of any county may, by resolution, direct the county treasurer to publish in one or more newspapers published in the county, a notice in the form of a display advertisement, informing taxpayers of the approaching time when real and personal taxes will become delinquent and when penalties will accordingly attach.

TAX DELINQUENCY (1928)

Definition

In order to have a definition which would be uniformly applicable to all of the states included in this study, and which would correspond with that employed in other studies from which material will be drawn;⁴⁷ the following definition has been adopted: "Tax delinquency is the failure to pay taxes by the date when a penalty is legally applicable for nonpayment."

⁴⁷U. S. Dept. of Agr., Bur. of Agr. Econ., Tax Delinquency of Rural Real Estate, (mimeographed reports by states, 1935-36).

It should be explained that delinquency dates set by statute, or implied by the language of the statutes, do not, in all cases, correspond with those which result from this definition. This is true especially in Illinois, where March 10 is set as the delinquency date; in Minnesota, where taxes remaining unpaid on the first Monday in January (one year after due date) are deemed delinquent; and in Ohio, where delinquent lands are defined as all lands upon which the taxes, assessments and penalties have not been paid for two consecutive semi-annual taxpaying periods.

Delinquency Dates

Because of the nature of options available to taxpayers in some states, in reality two delinquency dates should be discussed. The first is that date on which a penalty is applied to all or certain parts of the taxes due, if a designated part or installment has not been paid. The second is that date on which all of the taxes due must be paid, or a penalty will be incurred.

Reference to Table 10 shows that there is a range of from one and one-fourth to six months after due dates during which no delinquency is incurred in the various states. The length of time after due dates, during which all of the

Table 10. First and Final Delinquency Dates and Lapse of Time After Due Dates in Ten Selected States, 1928.

State	Due Date	First Delinquency				Final Delinquency	
		Date delinquent	Number of months after due date	Portion of taxes which must be paid	Portion of taxes to which penalty applies if first installment unpaid	Date delinquent	Number of months after due date
Kansas	November 1	December 21	1 3/4	1/2	all	June 21	7 3/4
Illinois	January 2	--	--	--	--	May 1	4
Indiana	December 31	First Monday in May	4	1/2	all	First Monday in November	10
Iowa	First Monday in January	April 1	3	1/2	1/2	October 1	9
Michigan	December 1	--	--	--	--	January 10	1 1/3
Minnesota	First Monday in January	June 1	5	1/2	1/2	November 1	10
Missouri	October 1	--	--	--	--	January 1	3
Nebraska	November 1	--	--	--	--	May 1	6
Ohio	October 1	February 15	4 1/2	all road taxes and one-half of all other	all road taxes and one-half of all other	August 10	10 1/3
Wisconsin	Last Monday in December	--	--	--	--	February 1	1 1/4

taxes must be paid in order to avoid delinquency, ranges from one and one-fourth months in Wisconsin to ten and one-third months in Ohio. Table 10 also indicates that, among those five states in which installment payments are permitted, Kansas and Indiana provide that the whole amount of the tax becomes delinquent, if the first installment is not paid on time. In the remaining states, where partial payments are permitted, or payments of only specified taxes, such payments do not forestall delinquency on any part of the property of the taxpayer, except in Wisconsin as explained previously.

Extending Delinquency Dates

There is no provision in the Kansas statutes for extending the time permitted for payment of taxes without penalty. However, a questionnaire circulated among former county officials⁴⁸ indicates that it is a rather common practice among county treasurers to accept payments of taxes for a few days after the delinquency dates without requiring penalties. Of the replies from 38 counties which were received in answer to a question relating to this practice, 18

⁴⁸Questionnaire on Tax Collecting Practices in Kansas, Appendix.

indicated that some extension was allowed. The number of counties in which extensions were permitted increased from 11 in 1928 to 18 in 1933. It was explained by some informants that extensions were allowed mostly on payments received by mail after the delinquency dates.

In most cases the time for payment was extended only to December 31 for the first installment, and to June 30 for the second installment. In a few other cases there were thirty-day and sixty-day extensions, for each installment. Replies from five counties indicate that penalties and interest on unpaid taxes were not computed and charged until they were entered on the delinquent lists in September of each year.

Legal provisions for extending the time permitted for payment of taxes without penalty are found in Ohio and Wisconsin. The county commissioners of any county in Ohio may extend the time of payment of taxes from June 20 to July 20 of the same year, and from December 20 to January 20 of the following year. In actual practice, however, this provision appears to be of little use, since penalties are not charged before the February 15 and August 10 settlements between the county auditor and county treasurer.

Any town in Wisconsin, by a two-thirds vote of its board, may extend the time for payment of taxes without

penalty until March 1. The board also has power to extend the time for collection of town taxes to all persons desiring such extension for a period of time not exceeding six months. The taxpayer must pay all other taxes on time and must pay interest on the extended taxes at a rate established by ordinance, in order to be eligible to receive the benefit of the extension.

Penalties Applied to Delinquent Taxes

Reference to Table 11 reveals that there is a wide variation in the type and severity of penalties applied to delinquent taxes in the different states. Some of these, as in Kansas, Indiana, Michigan, Minnesota, Ohio and Wisconsin, are flat percentages of the amount of taxes delinquent. Such penalties are in the nature of fines or collection fees. Others, as in Illinois, Iowa, Missouri and Nebraska, are based on the lapse of time from the delinquency date to the date of payment. Although they are in the nature of interest charges, they can justly be considered penalties because of their high rates.

Table 11. Penalties and Interest Charges on Delinquent Taxes, in Ten Selected States, 1928.

State	Penalties applied to Delinquent First Installments		Penalties Applied to All Taxes Unpaid After Final Delinquency Date and Prior to Tax Sale	
	Flat Rate Penalty	Interest charge	Flat Rate Penalty	Interest charge
Kansas	5%	None	10%	None
Illinois	--	--	None	1½ per month
Indiana	10%	None	16%	None
Iowa	None	1½ per month	None	1½ per month
Michigan	--	--	4%	3/4 of 1% per month ^c
Minnesota	5%	1½ per month	10%	None
Missouri	--	--	None	1½ per month
Nebraska	--	--	None	10% per annum
Ohio	10%	None	10%	d
Wisconsin	--	--	2%	12% per annum

^aA penalty of 10 per cent only is added to delinquency occurring on the first Monday in November, if May installment has been paid.

^bThe 4 per cent charge in Michigan is called a "collection fee."

^cComputed from March 1, when return of local collectors to county treasurer is required to be made.

^dInterest at 8 per cent per annum is charged after the first year of delinquency.

EFFECTIVENESS OF TAX COLLECTING
PRACTICES IN KANSAS COMPARED WITH NINE
SELECTED NORTH CENTRAL STATES IN 1932.

The foregoing discussion has dealt only with the effectiveness of tax collecting practices in Kansas compared with other north central states in 1928. Inasmuch as the period from 1929 to 1933 was one of unprecedented economic distress for farmers in the United States, it tested tax collecting practices to the utmost. It should be revealing to this study, therefore, to see how Kansas stood the test as compared with other states.

Nearly one-third of the total acreage in farms in Kansas was delinquent on levies of 1932.⁴⁹ It will be noted that the data just cited do not agree exactly with those computed for selected Kansas counties (Table 12). However, the data shown in Table 12 are, presumably, more nearly comparable with data for other states also shown in the same table. From this comparison, it appears that Kansas has risen from fourth place in 1928 (see Table 1, ante) to sixth place in 1932 among the ten selected states. That is, as measured by percentages of acreage delinquent, collecting

⁴⁹Harold Howe, "Tax Delinquency on Farm Real Estate in Kansas, 1928 to 1933," Kans. Agric. Exp. Sta. Circular 186, Manhattan, Kansas, 1937, Table IV.

Table 12. Ranking of States According to Percentages of Area Delinquent on Levies of 1932.⁵⁰

State	Per cent of total land area delinquent	State	Per cent of area in farms delinquent
Illinois	8.1	Illinois	9.2
Wisconsin	22.0	Wisconsin	24.0 ^a
Ohio	23.0	Ohio	28.0
Indiana	26.0	Indiana	33.0
Missouri	32.0	Iowa	35.4
Iowa	33.6	Kansas	40.0
Kansas	35.0	Nebraska	45.0
Minnesota	38.0	Missouri	46.0
Nebraska	40.0	Minnesota	63.0
Michigan	47.0	Michigan	68.0

^aComputed after deducting 39 per cent of delinquent acreage reported in cut-over forest.

⁵⁰ From "Tax Delinquency of Rural Real Estate," U.S.D.A., Bur. of Agric. Econ. (mimeographed reports by states) Washington, 1935-36.

practices were more effective in five other states than in Kansas in 1932.

Taxes levied per acre in 1932 were less in only two states than in Kansas (Table 13). It is worth noting, however, that percentages of delinquency were even higher in these two states, Missouri and Nebraska, than in Kansas. Decreases in taxes levied per acre from 1928 to 1932 were greater in four states than in Kansas. Three of these states are among those for which percentages of delinquency were less than that for Kansas.

Table 13. Farm Real Estate Taxes Per Acre 1929-32, by States Ranked According to Amount of 1932 Tax.⁵¹

(Dollars)					
State	1929	1930	1931	1932	Per cent of change 1928-32
Iowa	\$1.22	\$1.24	\$1.13	\$1.02	-11.3
Ohio	1.41	1.36	1.15	1.02	-28.2
Illinois	1.14	1.16	1.03	0.92	-17.1
Indiana	1.39	1.41	1.32	0.91	-34.1
Michigan	1.38	1.34	1.18	0.85	-37.0
Wisconsin	1.13	1.07	0.89	0.76	-30.3
Minnesota	0.86	0.87	0.84	0.67	-21.2
Kansas	0.58	0.55	0.53	0.41	-28.1
Missouri	0.47	0.45	0.41	0.37	-21.3
Nebraska	0.45	0.44	0.42	0.36	-21.7

⁵¹House of Representatives, Document No. 406, 73 Cong., 2 Sess., "The Farmers' Tax Problem," Washington, 1934.
Table 3.

It is somewhat surprising to find that taxes levied in 1932 per \$100 of value were lower than in Kansas only in Missouri and Nebraska (Table 14). However, in only three of the states for which taxes levied in 1932 were higher did they increase more than in Kansas. It is interesting to note that, in spite of a decrease in the relationship of taxes to value in Michigan during the period 1928-32, still the percentage of acreage delinquent increased from 24 per cent to 68 per cent during the same period.

Table 14. Farm Real Estate Taxes Per \$100 of Value, 1929-1932, by States Ranked According to Amount of Tax in 1932.⁵²

(Dollars)					
State	1929	1930	1931	1932	Per cent of change 1928-32
Ohio	\$1.79	\$1.89	\$1.87	\$1.98	+12.5
Indiana	1.94	2.18	2.46	1.92	+ 1.6
Michigan	2.04	2.08	2.18	1.89	- 3.6
Minnesota	1.25	1.45	1.65	1.64	+36.7
Iowa	0.98	1.14	1.28	1.59	+76.7
Illinois	1.04	1.21	1.31	1.44	+46.9
Wisconsin	1.43	1.52	1.44	1.39	+ 2.2
Kansas	1.20	1.24	1.38	1.35	+15.4
Missouri	0.89	0.98	1.06	1.17	+36.0
Nebraska	0.81	0.84	0.95	1.05	+31.3

⁵²House of Representatives, op. cit. Table 5.

Index numbers of estimated value per acre of farm land had fallen rather sharply for all of the states by 1932. Singularly enough the smallest decrease from 1928 to 1932 was for Kansas (Table 15). In general, it appears that land values held their former levels best in those states for which delinquencies were highest. Missouri is a notable exception.

Table 15. Index Numbers of Estimated Value Per Acre, 1929-32, by States Ranked According to 1932 Value.⁵³

(1912-14 = 100 per cent)					
State	1929	1930	1931	1932	per cent of change 1928-32
Indiana	83	80	72	60	-28.6
Illinois	95	91	80	66	-31.3
Missouri	95	92	79	67	-30.2
Ohio	94	90	82	70	-27.1
Iowa	116	113	98	80	-31.6
Kansas	113	113	103	89	-21.2
Nebraska	116	113	106	90	-23.1
Wisconsin	119	117	104	91	-24.2
Michigan	124	121	115	97	-22.4
Minnesota	138	133	116	98	-30.0

⁵³From "The Farm Real Estate Situation, 1932-33," U.S.D.A. Circular No. 309. Table 1.

The percentage of gross farm income demanded for taxes increased more than 100 per cent in Kansas from 1928 to 1932 (Table 16), constituting the greatest increase registered in any of the ten states. In 1932 the percentage of gross income demanded for taxes in Kansas was higher than in any of the other states except Ohio, where it was the same as in Kansas.

Table 16. Percentages of Gross Farm Income Demanded for Taxes 1929-32, by States.⁵⁴

State	1929	1930	1931	1932	Per cent of change 1928- 32
Kansas	5.9	7.4	9.6	11.5	+107.1
Ohio	7.5	8.8	9.1	11.5	+ 45.7
Iowa	5.5	6.7	8.9	11.2	+105.0
Indiana	7.8	9.9	12.1	11.1	+ 37.1
Minnesota	5.8	7.0	9.7	10.6	+ 73.8
Illinois	6.1	7.3	9.0	10.4	+ 82.4
Michigan	8.2	9.7	11.3	10.2	+ 34.1
Nebraska	4.4	5.2	7.6	9.7	+ 93.5
Wisconsin	5.6	6.5	7.6	9.0	+ 60.1
Missouri	3.9	4.7	5.6	6.7	+ 74.9

⁵⁴Computed as shown in Table 4, ante.

The correlation between the data presented in Tables 12 and 16 does not appear to be very close. Percentage of income demanded for taxes does not seem to explain the position of Missouri in Table 12 nor, on the other hand, of Illinois. On this basis alone, delinquency in Kansas might have been expected to be higher.

MAJOR CHANGES IN STATUTORY PROVISIONS FOR PAYMENT OF TAXES, 1928-1933

A considerable amount of changing and adjusting of tax collecting procedures appears to have been done by most states during the period of unusually high tax delinquency from 1930 to 1933. No doubt these changes were designed to help alleviate the situation. Some of the changes made were in the nature of temporary adjustments. A fairly high percentage, however, were bona fide changes in organic laws.

Due Dates

The date when taxes become due was changed during the period 1928 to 1933 only in Nebraska. Whereas taxes formerly became due on November 1, this date was changed in

1933 to January 1.⁵⁵

Installment Payments

Three states were added to the list of those permitting payment of taxes in installments,⁵⁶ increasing the total number to eight and leaving only Michigan and Missouri in the group of those states which make no provision for installment payments. The number of installments permitted in Minnesota was increased from two to four.⁵⁷

Payment of taxes in two equal installments was provided by the laws of Illinois for taxes levied in 1931 and succeeding years.⁵⁸ Like provisions were enacted in Nebraska⁵⁹ and Wisconsin⁶⁰ in 1933. Although the statute providing for installment payments in Wisconsin was enacted in 1933, it

⁵⁵Laws of Nebraska, 1933, p. 513.

⁵⁶See Table 9, ante.

⁵⁷Minnesota Laws, 1933, p. 129.

⁵⁸Laws of Illinois, 1931, p. 749; also Laws of 1st Spec. Sess. 1931, p. 88.

⁵⁹Laws of Nebraska, 1933, p. 513.

⁶⁰Laws of Wisconsin, 1933, p. 901.

did not apply to taxes levied prior to 1935.

Installments provided for the above states are arranged as shown in Table 17.

Table 17. Arrangement of Installment Payments Provided in Four States between 1928 and 1933.

State	First Installment	Second Installment
	Full amount, or one-half of taxes may be paid on or before	Remaining one-half of taxes must be paid on or before
Illinois	February 1	August 1
Nebraska	March 1	August 1
Wisconsin	January 31	July 31
Minnesota	One-fourth prior to April 1	One-fourth prior to September 1
	One-fourth prior to June 1	One-fourth prior to November 1

Prepayments — Discounts

Provisions were enacted to encourage prepayments of taxes in Kansas, Illinois and Wisconsin in 1933. By virtue of the statute enacted in Kansas,⁶¹ any person paying his

⁶¹Laws of Kansas, 1933, p. 906.

taxes in full on or before December 20 of any year receives a discount of 2 per cent upon the last half of the tax so paid. This provision was made retroactive to apply to taxes levied for 1932.

Taxpayers of Illinois who elect to pay the second installment of their taxes at the time of payment of the first installment, receive a discount of 5 per cent per annum on the amount of the second installment between the date after which the first installment would bear interest if delinquent (February 1) and the date after which the second installment would bear interest if delinquent and unpaid (August 1).⁶² It will be observed that this is practically the equivalent of 5 per cent per annum computed for six months, or a $2\frac{1}{2}$ per cent discount as the statutes now exist. This provision was strictly limited so that it did not apply to taxes levied for state purposes for the years 1931 and 1932.

The Wisconsin statute of 1933⁶³ does not grant a discount for prepayment, but it merely provides an enabling clause making it the duty of any town treasurer to accept taxes in advance, in installments of not less than \$10 and in any multiple of \$5. Prior to the determination of the tax roll for any year, the treasurer may accept such deposits

⁶²Laws of Illinois, 1933, p. 427.

⁶³Laws of Wisconsin, 1933, p. 427.

on the anticipated tax on any tract only to the extent of 80 per cent of the previous year's tax.

Penalty Dates

Changes were made in the penalty dates for five states. Under the laws of Kansas prior to 1933, whenever the first half of the tax on any parcel of land remained unpaid after December 20 of the year of levy, the entire tax became due and subject to penalty. This provision was changed in 1933,⁶⁴ so that the last half of the tax no longer becomes delinquent with the first half, but may be paid at any time on or before June 20, next ensuing, with interest, but without penalty. This provision was made retroactive to apply to taxes levied for 1932.

A similar change was made in the laws of Indiana in 1932.⁶⁵ The second installment of taxes no longer becomes delinquent and subject to penalty when, and if, the first half does, but may be paid without penalty at any time on or before the first Monday in November.

The penalty date was changed in Illinois from May 1 to the final date for each installment, February 1 and August 1

⁶⁴Laws of Kansas, 1933, p. 491.

⁶⁵Laws of Indiana, Spec. Sess., 1932, p. 234.

respectively.⁶⁶ With the adoption of installment payments in Nebraska, the penalty date was changed from May 1 to the final date for each installment, March 1 and August 1 respectively.⁶⁷ The whole amount of the tax becomes delinquent if the first installment is not paid on or before March 1. The first half of taxes in Wisconsin still becomes delinquent, if unpaid on February 1; but, with the adoption of installment payments, the last half does not become delinquent until August 1. It should be noted that, although the number of installments permitted in Minnesota was increased to four, penalty dates have remained unchanged from June 1 and November 1.

Temporary extensions of penalty dates were granted in five states. "Due to distressing economic conditions" in Illinois, the penalty date for the first installment of 1931 taxes was deferred from February 1 to May 1, 1932,⁶⁸ and for the first installment of 1932 taxes to June 1, 1933 on account of closed banks.⁶⁹

⁶⁶Laws of Illinois, 1931, p. 750.

⁶⁷Laws of Nebraska, 1933, p. 514.

⁶⁸Laws of Illinois, 1st. Spec. Sess., 1931, p. 88.

⁶⁹Laws of Illinois, 1933, p. 871.

The penalty date for the first installment of all taxes payable in 1933 in Iowa was extended from April 1 to July 1, 1933. Any 1932 taxes in Michigan which were unpaid on July 1, 1933 were not considered delinquent and could be paid without penalty on or before November 1, 1933.⁷⁰ Likewise, the penalty date for 1933 taxes was extended to November 1, 1934.⁷¹ The penalty date for 1932 taxes in Nebraska was extended from May 1 to July 1, 1933.⁷² The penalty date for the first installment of 1932 taxes in Ohio was extended from December 20, 1932 to June 20, 1933.⁷³

The extension of penalty dates in Wisconsin was made optional with the town board of each township and contingent upon the filing by the taxpayer with the town treasurer of an affidavit of inability to pay his taxes. Town boards were first authorized to extend the penalty date for 1930 taxes from February 1 to June 1, 1931.⁷⁴ Similar

⁷⁰Public Acts of Michigan, 1933, p. 470.

⁷¹Public Acts of Michigan, Extra Sess., 1934, p. 97.

⁷²Laws of Nebraska, 1933, p. 590.

⁷³Laws of Ohio, 1933, p. 544.

⁷⁴Laws of Wisconsin, 1931, p. 7.

extensions were later authorized for 1931,⁷⁵ and 1932,⁷⁶ and 1933⁷⁷ taxes.

Penalties

Penalties applicable to delinquent taxes were changed in Kansas and five other states during the period 1928 to 1933. Prior to 1933 a penalty of 5 per cent was applicable to the full amount of taxes charged, if the first installment had not been paid by December 20 of the year of levy in Kansas. An additional penalty of 5 per cent was applicable to all taxes unpaid on the following June 21. At the same time that statutory provisions were changed so that the last half of the tax no longer became due and delinquent if the first half remained unpaid on December 21, penalty provisions were also changed. Each installment now bears 10 per cent interest from and after it becomes delinquent. This provision was made retroactive to apply to 1932 taxes.

The penalty on delinquent taxes in Indiana was changed from 10 per cent plus 6 per cent interest per annum to 3

⁷⁵Ibid., Spec. Sess., 1931-32, p. 83.

⁷⁶Ibid., 1933, p. 175.

⁷⁷Ibid., 1933-34, p. 17.

per cent penalty plus 8 per cent interest per annum.⁷⁸ The change was made retroactive to apply to the first installment of 1931 taxes. The penalty on delinquent taxes for 1933 and subsequent years in Iowa was reduced from 1 per cent per month to three-fourths of one per cent per month.

The penalty on delinquent first installments of taxes in Minnesota was reduced from 5 per cent to 4 per cent and the penalty accruing after the final delinquency date (November 1) was reduced from 10 per cent to 8 per cent in 1931.⁷⁹ An additional penalty of 3 per cent on the amount of the original tax remaining unpaid on the first Monday in January accrues on that date.⁸⁰ The penalty applied to delinquent first installments was further reduced to 3 per cent, effective on 1932 taxes, and the rate of interest on delinquent real estate taxes was fixed at 8 per cent per annum, calculated from March 1 of the year following the year in which taxes become due.⁸¹

⁷⁸Laws of Indiana, Special Sess., 1932, p. 234.

⁷⁹Minnesota Laws, 1931, p. 407.

⁸⁰Ibid., 1931, p. 408.

⁸¹Minnesota Laws, 1933, pp. 129-130.

The penalty on delinquent taxes in Nebraska was reduced from 10 per cent interest per annum to 7 per cent interest per annum from the delinquency date until the date of sale. Delinquent real property taxes draw interest at 9 per cent from the date of sale.⁸² Interest on delinquent taxes in Wisconsin was reduced in 1933 from 12 per cent to 8 per cent per annum.⁸³

ENFORCING COLLECTION BEFORE TAX SALE

Personal Demand of Delinquent Taxes by Collectors

Immediately after taxes become delinquent, collectors in Indiana, Iowa, Michigan, Missouri and Wisconsin are charged with the duty of making a personal demand for taxes. In all of these states, except Iowa, they are required to call in person, or by deputy, upon each resident delinquent taxpayer and demand the amount of delinquent taxes and penalty together with costs of making the demand. In Iowa, the treasurer is required to send a statement to each

⁸²Laws of Nebraska, 1933, p. 514.

⁸³Laws of Wisconsin, 1933, p. 554.

delinquent taxpayer not later than November 1 of each year. In the case of non-resident taxpayers, in the other states, demand may be made by registered mail.

Distrainment and Sale of Personal Property for Delinquent Real Estate Taxes

If taxes, penalties and costs are not paid within a specified time after demand has been made, it is the duty of collectors in the states mentioned above to proceed to collect delinquent real estate taxes by levying upon sufficient personal property of the delinquents to pay them. In Iowa, the county treasurer may appoint one or more collectors for this purpose. In general, any personal property belonging to, or in possession of the delinquents, may be levied upon wherever found, except household goods whose value does not exceed \$100.

The goods and chattels levied upon are sold at public auction, to the highest bidder, at some place designated by the collector. Collectors are required to give posted notice, ranging from five to sixty days, of the time and place of sale. Property is frequently left in the custody of the owner until the day of sale, provided the owner will give a delivery bond. If the owner refuses to give bond,

the collector may seize the property and store it at the expense of the owner. All costs of making demand and levy, taking delivery bond, printing notices of sale, and collectors fees are levied against the property of the delinquent and paid from the sale thereof.

In case no one will bid at such sales, for all of the personal property offered, a sufficient amount to pay all of the delinquent taxes, charges and costs, the property is disposed of in various ways. Iowa statutes provide that the county treasurer, if he thinks the property is ample surety for the tax, may purchase it for the state. If it is not redeemed by the owner within a specified time, he must then re-expose the property for sale to the highest bidder for cash, even though the amount bid is less than the amount of taxes, charges and costs due.

Michigan and Wisconsin provide that, if the property is not sold for want of bidders, the tax is returned as unpaid, and the property is returned to the owner.

Application of Money Owing to Delinquents

There is a provision in Indiana that, if a person whose name is found on the delinquent list should happen to have

money owed to him by the county or township, it is the duty of the county or township treasurer to deduct therefrom enough to pay his taxes and pay it into the county treasury.

Prosecution Upon Money or Other Effects

There is still a further provision for the collection of delinquent real estate taxes in Indiana prior to tax sales. If no personal property can be found in the county on which to levy delinquent real property taxes; the treasurer, if he has reason to believe the delinquent has money, effects or other property in his possession or on deposit that can be reached by any remedy known to law, is required to make known such facts to the prosecuting attorney. It is then the duty of the prosecuting attorney to cause such proceedings to be brought as will secure payment of the delinquent taxes. The attorney receives 10 per cent of the amount collected and a docket fee of \$10 which are taxed as costs.

At any time after delinquency, the treasurer may also institute and prosecute all suits and proceedings necessary for the collection of delinquent taxes from non-residents of the state, whenever a reasonable probability exists that

the delinquent taxes, or a substantial part of them can be collected. The treasurer is required to assess (and he receives) 25 per cent of the amount due as costs.

PREPARATION FOR TAX SALES

Return of Local Collectors

It should be borne in mind that, up to this point, tax rolls in Illinois, Michigan and Wisconsin are still in the hands of local collectors. All of the proceedings thus far described for these states have been handled on a township basis. (Except those Illinois counties not under township organization). At this point, in the proceedings, however, local collectors in all three states are required to return the tax books, together with statements of the taxes which they were unable to collect, to the county collectors.

Town and district collectors in Illinois are required to return the tax books and make final settlements with the county collector on or before March 10 next after receiving the tax books.

In Michigan, all taxes must be collected by the several township treasurers before March 1 in each year. Township

treasurers must make return of the taxes which they could not collect to the county treasurer in time so that he can transcribe them and forward the transcript to the Auditor General on or before May 1 (unless this time is extended by the Auditor General, which he has the power to do).

The Michigan taxpayer has a right to pay his taxes to the township treasurer at any time before the latter is obliged to make his return and actually does make it, without being subjected to additional penalties. To all taxes unpaid on March 1 next after their assessment, however, there is added interest at three-fourths of one per cent per month; and to all taxes returned to the county treasurer there is also added a collection fee of four per cent.

Town treasurers in Wisconsin are required to pay over taxes collected in full settlement on the first Monday in March after levy, and to return unpaid taxes to the county treasurer on March 22. After this date, unpaid taxes bear an additional penalty of one per cent per month computed from January 1.

**Voluntary Payments of Taxes and
Charges At Any Time Before Tax Sales**

Taxpayers in all states may make voluntary payment of their taxes at any time before lands are actually sold for taxes; but there is a special provision for voluntary payment of taxes after delinquency in Minnesota. Where the taxes delinquent after November 1 against any tract exceed \$100, they may be paid in installments of not less than 25 per cent of the total amount in each installment. Accrued penalties and costs up to the time of the next tax judgment sale are included in computing the total. After each such payment penalties, interest and costs accrue only on the sum remaining unpaid.

In Illinois, Michigan and Wisconsin, where tax rolls are returned to county collectors by local collectors, the county collectors are charged with the duty of continuing to receive payments of taxes. In Wisconsin, all taxes returned to the county treasurer as delinquent belong to the county until the sum then due the county for unpaid taxes is satisfied. Any excess, when collected, is returned to town treasurers.

Preparation of Delinquent Land Lists and Notices of Sale

At designated times, collectors in all states find it their duty to take stock of those taxes which remain unpaid, and to prepare lists of such taxes which will stand as evidence in proceedings for sale or foreclosure. In some states, of which Kansas is typical, reliance is placed upon summary proceedings to collect taxes, and the delinquent lists thus prepared are accepted as prima facie evidence of the regularity of all proceedings up to and including preparation of the delinquent lists. In other states, delinquent lists are referred to the courts for judgment and order of execution.

In the consideration of tax sale methods and preparation for tax sales, in various states, Missouri and Ohio drop out of the picture momentarily, due to the fact that in these two states tax certificates are not sold. Though the procedure following delinquency in Ohio is not considered a tax sale, it bears a striking resemblance to a procedure for bidding off all delinquent lands for the county in Kansas. This procedure will be discussed more fully later.

Summary proceedings are employed for tax sales in five states, Kansas, Indiana, Iowa, Nebraska and Wisconsin. In Kansas, the county treasurer is required, between July 1 and 10 in each year, to make out a list of all delinquent lands with an accompanying notice stating that so much of each tract described therein as may be necessary for that purpose will be sold at public auction by him, at his office, on the first Tuesday in September next thereafter for the taxes and charges thereon. It is the treasurer's duty to cause the delinquent list with the accompanying notice to be published in some newspaper in his county, or of general circulation therein, once in each week for four consecutive weeks prior to the day of sale. He must also cause a copy of the list and notice to be posted in some conspicuous place in his office.

Similarly, lists of delinquent lands and notices of sale are prepared in Indiana, Iowa, Nebraska and Wisconsin. The county auditor must prepare the lists, in Indiana, between the first Monday in December and January 1, annually. Public notice of the impending sale of the listed lands for delinquent taxes, interest at 10 per cent and charges, is given by publication and posting.

Delinquent lists are prepared by county treasurers in Iowa. Notices are posted and published about the first or

second week in November.

All real estate in Nebraska on which taxes have not been paid on or before the first Monday of November after they become delinquent is subject to sale. It is the duty of the county treasurer to make out a list of the delinquent lands with an accompanying notice that so much of each tract as may be necessary to pay taxes, interest and costs thereon will be sold on the first Monday of November. Notices of sale and copies of the delinquent list are published and posted as they are in Kansas.

In Wisconsin, it is the duty of the county treasurer to make out the list of lands on which taxes remain unpaid on the fourth Monday in April in each year. He is also required to publish and post notices accompanying the delinquent list that so much of each tract as may be necessary will be sold on the second Tuesday in June.

Court proceedings are employed to secure authority for the sale of delinquent lands in four states: Illinois, Michigan, Minnesota and Nebraska. (Dual procedures are provided in Nebraska. Under the "Scavenger Law" the county board of any county may elect to employ this procedure rather than the summary proceedings previously mentioned.) In these four states, delinquent land lists are referred to

courts of competent jurisdiction for correction, judgment and order of sale.

In Illinois, at any time after April 1, it is the duty of the county collector to publish an advertisement giving notice of his intended application for judgment for the sale of delinquent lands. This advertisement must also contain a list of the lands upon which taxes remain due and unpaid. Publication of the notice and making and filing of the list are necessary to give the court jurisdiction.

All applications for judgment and order of sale must be made at the June term of the county court. (In some counties, no session of the county court is held in June, and there are other exceptional circumstances which need not be mentioned here.) In the meantime, the collector must transcribe the list of delinquent lands into a book known as the "tax judgment, sale, redemption and forfeiture record" and file it with the clerk of the county court.

The court will examine the delinquent list, and if defense is offered by any person interested in the lands to the entry of judgment, the court will hear and determine the matter in a summary manner, without pleadings, and pronounce judgment. The court will give judgment for such taxes, special assessments and penalties as appear to be

due, and will direct the clerk to make out and enter an order for the sale of real property against which judgment is given. Appeals from the judgment of the county court may be taken during the same term to the state supreme court. An appeal will stay the sale until the appeal is disposed of.

Following the judgment of the court, it is the duty of the county collector to send notices of sale by registered mail to the owner of each tract, or to the person who paid the taxes for the previous year. Cases of lands which have been forfeited to the state two or more years in succession preceding the application for judgment are excepted from this requirement.

To a certain extent, proceedings in Michigan are taken out of the hands of county authorities and vested in the Auditor General of the state. On or before May 1 (Auditor General may extend time to any date in May), the county treasurer is required to forward a transcript to the Auditor General of the lists returned to him by township treasurers of lands on which taxes are delinquent. In sufficient time before the date fixed for the annual tax sale, the Auditor General is required to prepare and file with the county clerk a petition addressed to the circuit court praying a decree in favor of the state against the lands

delinquent for the amount of the taxes with interest, and in default of payment that such lands be sold.

As soon as the Auditor General's petition with the list of delinquent lands is filed with the county clerk, responsibility for the proceedings is returned to the county authorities. From this point, the proceedings are quite similar to those previously described for Illinois.

Court proceedings on delinquent tax petitions in Minnesota and Nebraska are sufficiently like those described for Illinois, that it is considered unnecessary to describe them in detail. Suffice it to say that lists of delinquent lands and petitions addressed to the proper courts are prepared by county collectors. The delinquent lists and notices of application for judgment are published, and persons interested in the lands are given an opportunity to appear and contest the claim of the state against the entry of judgment for the amount of taxes and charges held to be due as shown on the delinquent lists. State tax suits are given precedence over all other business of the courts. They are heard in a summary manner, and final decrees are entered in sufficient time for county collectors to give the required notices of sale. Appeals may be taken within a limited time to the state supreme courts. When judgments have been

entered, county collectors proceed with preparations for tax sales.

VOLUNTARY PAYMENT OF TAXES BETWEEN JUDGMENT AND SALE

It should be recalled once more that voluntary payments of taxes may be made at any time before lands are actually sold for taxes. This is true even in those states where court judgments have been entered; except in Nebraska where, under the "Scavenger Law" payments may be made only up to the time when a decree has been entered. It is important to keep this point in mind because of the fact that payments made by owners, or persons interested in the land, at tax sales or subsequently thereto are usually considered in the nature of redemptions rather than actual payments of taxes, penalties and charges.

Since lands which have remained delinquent long enough to be sold at tax sales are well on the road toward long-term delinquency, it is pertinent to this study to compare the percentages of delinquent acreage against which tax certificates, or tax liens were sold in the period 1928-32 in the various states. This comparison is given in Table 18.

Table 18. Percentages of Delinquent Acreage Against Which Tax Certificates, or Tax Liens, Were Sold 1928-1932, by States.⁸⁴

State	Per cent	State	Per cent
Illinois	100	Nebraska	20
Wisconsin	53	Iowa	8
Kansas	52	Indiana	7
Minnesota	37	Missouri	-- ^a
Michigan	20	Ohio	-- ^a

^a Sale of Tax Certificates, or tax liens, is not provided for by the laws of this state.

It appears from this table that Illinois is in a class by itself. Following Illinois, the percentages for Wisconsin and Kansas are rather high.

⁸⁴ U.S.D.A. Bur. of Agric. Econ. "Tax Delinquency of Rural Real Estate" Washington, 1935-36, (mimeographed reports by states).

TAX SALES (1928)

Proceedings

Tax sales are held in the various states from one to six months after final delinquency dates, and from five to sixteen months after due dates (Table 19). Tax sale dates range from the first Tuesday in May of the year after levy to the second Monday in May of the second year after levy.

Tax sales are conducted by county treasurers in all states except Minnesota, where the county auditor conducts the sale, and in those Illinois counties not under township organization, where sheriffs are ex-officio county collectors.

With the exceptions which will be noted later, tax sales in all of the states are in the nature of public auctions held at the county seat, and usually at the courthouse door. (In some states they must be held in the treasurer's office, and in others they are void if held there.)

It is the duty of the county treasurer, in Kansas, on the day designated in the notice of sale, to commence the

Table 19. Tax Sale Dates.

State	Tax Sale Dates	Period of delinquency before sale (months)	Period from due date to sale date (months)
Kansas	First Tuesday in September. Varies in different counties	2½	10
Illinois	June to October	1-5	6-10
Indiana	Second Monday in February	3	13
Iowa	First Monday in December	2	11
Michigan	First Tuesday in May	4	5
Minnesota	Second Monday in May	6	16
Missouri	None		
Nebraska	First Monday in November	6	12
Ohio	None		
Wisconsin	Second Tuesday in June	4	6

sale of those lands on which taxes and charges have not been paid, and to continue the same from day to day until each parcel, or so much thereof shall be sold as shall be sufficient to pay the taxes and charges thereon, including the costs of advertising and fees for selling. Each description or parcel must be offered separately for sale.

Tax sale proceedings in the other seven states are quite similar to those described for Kansas. It should be mentioned, however, that county treasurers in those Nebraska counties where proceedings are under the "Scavenger Law" must hold at least two sales each year to satisfy decrees of the district court. The default sale is commenced on the first Wednesday in November and a second sale must be commenced on the first Monday in May. There may also be held, if the county treasurer so elects, quarterly sales commencing on the first Monday in February and the first Monday in August.

Bidders

At tax sales in Kansas where lands are offered to private purchasers, there are no restrictions on who may bid for lands. In Indiana, no bid will be accepted from

any person who is not a resident of the state until he has filed with the county treasurer an agreement in writing, consenting to the jurisdiction of the circuit court of the county and until he appoints some citizen of the county as agent upon whom legal process may be served.

In Iowa, a county cannot bid on lands at tax sales; while, in Wisconsin, the county must be the only bidder on lands for which it holds outstanding certificates. The purpose of this provision, in Wisconsin, is to enable the county and state to protect their prior interest in such lands.

Purchasers

In those Kansas counties where delinquent lands are offered to private purchasers at tax sales, the person offering to pay the taxes and charges against any one parcel of land for the smallest quantity of land off the north side of the tract becomes the purchaser. If no person will bid for less than the whole tract, the treasurer may sell the whole.

Purchasers are selected in much the same way in Indiana, Iowa, Michigan, Nebraska and Wisconsin, except that the

portion of a tract for which a purchaser will pay taxes and charges in Iowa, Michigan and Nebraska is considered an undivided portion. In Indiana and Wisconsin, the portion is definitely located and designated within the tract, as it is in Kansas.

In Illinois and Minnesota the procedures are quite different from those for the states mentioned above. In Illinois, the person at the tax sale offering to pay the amount due on each tract for the least percentage thereon as penalty becomes the purchaser. No bid will be accepted for a penalty exceeding 12 per cent of the amount of the tax.

In Minnesota, the purchaser is the person who offers to pay the amount of the judgment and costs against any tract at the lowest annual rate of interest on such amount. No bid will be accepted which exceeds 12 per cent interest annually.

Purchasers of delinquent lands already bid off by the state at some previous sale in Michigan must also pay all previous delinquent taxes. Dealing in tax titles in Michigan is a lawful business, recognized and encouraged by tax laws.

Disposition of Lands Not Sold for Want of Bidders

If any parcel of land at a tax sale in Kansas cannot be sold for the amount of taxes and charges thereon, it must be bid off by the county treasurer in the name of the county for such amount. The procedure in Wisconsin is exactly the same. The county board in Nebraska may purchase for the use and benefit of the county any real estate which remains unsold for want of bidders. This authorization, however, is merely permissive and not mandatory. The county may bid at the sale, but its bid must be only upon the interest covered by the decree and for an amount not exceeding the decree, interest, penalty and costs.

In four states, Illinois, Michigan, Minnesota and Nebraska lands not sold for want of bidders are forfeited to or bid off for the state. This statement must be qualified for Illinois and Nebraska. Every tract offered and not sold for want of bidders in Illinois is forfeited to the state, unless the county judge, county clerk and county treasurer acting together certify that taxes on any of the forfeited lands exceed the value of the land, in which case it will be offered for sale to the highest bidder after 10

days' notice. Lands are forfeited in Nebraska only where the "Scavenger Law" is used.

Any tracts which cannot be sold for the amount of taxes and charges due in Indiana, Iowa and Nebraska (under the general revenue law) simply remain unsold. They are not bid off for the county or state, but will be re-offered at subsequent sales. In Indiana, this means the next regular annual tax sale; but, in Iowa and Nebraska, special procedures are provided.

The treasurer, in Iowa, is required to adjourn the sale to some day not exceeding two months from adjournment, after which he must re-open the sale and proceed to offer the unsold lands as in the first instance. Further adjournment must be made from time to time, not exceeding two months, and the sales thus continued until the next regular annual sale, or until all the taxes are paid.

After the public auction has closed in Nebraska, if any real estate remains unsold for want of bidders, the county treasurer is authorized and required to sell the same, at private sale, at his office, to any person who will pay the amount of taxes, penalty and costs thereof for the same.

SALES AT WHICH THE COUNTY IS THE EXCLUSIVE BIDDER

The legislature of Kansas, in 1921, provided a tax sale method by which a county might constitute itself the exclusive bidder on delinquent lands. The provisions of this act, known as the "County Purchase Plan," apply only in those counties in which the county boards have, by resolution, accepted and adopted the same. All available information indicates that approximately 75 to 80 per cent of the counties have at some time used the plan. A small percentage of them later discarded it when the problem of tax delinquency became acute during the period from 1931 to 1934.^{85,86}

In those Kansas counties in which the county purchase plan has been adopted, it is the duty of the county treasurer to bid off, in the name of the county, all lands advertised for sale, for the amount of the delinquent taxes and legal charges due thereon. No bids will be accepted by the treasurer from any other person.

⁸⁵Harold Howe, "Tax Delinquency on Farm Real Estate in Kansas, 1928 to 1933," Kans. Agric. Exp. Sta. circular 186, Manhattan, 1937, p. 12.

⁸⁶Questionnaire on Tax Collecting Practices in Kansas, Appendix.

By a similar provision in Wisconsin, the county board of any county may authorize and direct the county treasurer to bid in and become the purchaser of all lands sold for taxes, interest and charges remaining unpaid thereon. This section in the statutes of Wisconsin was held in violation of Section 1 of the Fourteenth Amendment to the United States Constitution guaranteeing equal protection of the laws. (State ex rel. Mason v. Larsen — 169 Wisc. 298, 172 NW707.) The grounds were that it empowers a county board to constitute a county treasurer the exclusive bidder at the tax sale, and denies competitive bidding to a single taxpayer.

CLEARING DELINQUENT LANDS AFTER TAX SALES (1928)

A comparatively low percentage of the lands which became delinquent on 1928 and later levies in Kansas were cleared by the end of the 1932 tax year (Table 20). This should not be taken as an indication of the amount of delinquent taxes paid, however, as the comparison presented in Table 21 shows a shorter average period of delinquency for properties still involved, in Kansas than in any of the other states. This might be interpreted to mean that a

high percentage of the delinquencies for the earlier years were liquidated, but the properties were not entirely cleared. This presumption is further substantiated by the per cent of certificates redeemed (Table 22).

Table 20. Percentages of Acreage Delinquent on 1928 and Later Levies Cleared By The End of the 1932 Tax Year.⁸⁷

State	Per cent of delinquent acreage cleared	State	Per cent of delinquent acreage cleared
Iowa	53	Ohio	35
Wisconsin	47	Minnesota	33
Indiana	46	Illinois	30
Missouri	40	Kansas	26
Nebraska	35	Michigan	25

⁸⁷U.S.D.A., Bur. of Agric. Econ. "Tax Delinquency of Rural Real Estate" Washington, 1935-36, (mimeographed reports by states).

Table 21. Average Period of Delinquency for Properties Still Involved in Delinquency at the End of 1932.⁸⁸

State	Average period of delinquency	State	Average period of delinquency
Kansas	1.6 years	Ohio	2.5 years
Nebraska	2.0 years	Michigan	2.6 years
Iowa	2.1 years	Indiana	2.7 years
Illinois	2.2 years	Wisconsin	3.1 years
Missouri	2.2 years	Minnesota	3.4 years

⁸⁸U.S.D.A., Bur. of Agric. Econ. "Tax Delinquency of Rural Real Estate," Washington, 1935-36, (mimeographed reports by states).

Lands Sold to Private Buyers

Certificates of purchase are issued by the county treasurer to purchasers of tax liens at tax sales in Kansas. On the payment of his bid, the county treasurer is required to give each purchaser a certificate dated the day of the sale, describing the lands purchased, the amount paid therefor, and stating the time when the purchaser will be entitled to

a deed. If acknowledged by the treasurer and certified by a person authorized to take acknowledgments of deeds, the certificate may be recorded in the office of the register of deeds.

Tax sale certificates are assignable by endorsement, having the same force and effect as assignment of bonds for the conveyance of lands. Certificates alone give no right of entry and do not pass title, but are only a prior lien upon the land.

Certificates of similar nature are issued to purchasers in Illinois, Iowa, Michigan, Nebraska and Wisconsin. The certificates issued in Nebraska expressly give the purchaser a perpetual lien of the tax on the land.

Tax certificates issued in Indiana entitle the holder to possession of the premises when the sale is in all respects legal.

Certificates issued in Minnesota are similar to those issued in Kansas in their immediate respects. However, if the land is not redeemed, in Minnesota, the certificate itself will pass to the purchaser an estate in the land in fee simple without any further act or deed whatever. Such certificates may be recorded, after the time for redemption has expired, as other deeds of real estate, and with like

effect.

Redemption of land sold for taxes in Kansas may be made by the owner at any time within three years (later changed to four years) from the day of sale and at any time before the execution of the deed, by payment to the county treasurer of the amount for which the land was sold and all subsequent taxes and charges thereon paid by the purchaser with interest at 15 per cent per annum on the amount of the purchase money of the sale and on all subsequent taxes paid thereon. A certificate of redemption will be issued to him by the treasurer.

There are three other states, Iowa, Minnesota and Wisconsin, in which the period allowed for redemption of lands sold for taxes is three years. The redemption period in Illinois, Indiana and Nebraska is two years; while in Michigan it is only one year.

There appears to be real significance in the fact that a higher percentage of tax certificates sold during the period 1928-32 were redeemed by the end of 1932 in Kansas than in any of the other states (Table 22).

Owners, holders of record title, or any one interested in the lands, generally, may redeem lands sold for taxes. Where lands are mortgaged, in Kansas, if the mortgagor

Table 22. Per cent of Tax Certificates Sold During the Period 1928-32 which Were Redeemed by the End of 1932.⁸⁹

State	Per cent of certificates redeemed	State	Per cent of certificates redeemed
Kansas	80	Minnesota	33
Nebraska	75	Wisconsin	33
Iowa	73	Michigan	20
Indiana	50	Missouri	-- ^b
Illinois	50 ^a	Ohio	-- ^b

^aOnly 20 per cent of certificates forfeited to the state were redeemed.

^bThe laws of Missouri and Ohio do not provide for the sale of tax certificates or tax liens.

⁸⁹"Tax Delinquency of Rural Real Estate," U.S.D.A. Bur. of Agric. Econ., Washington, 1935-36, (mimeographed reports by states).

fails or neglects to pay the taxes, or permit any land so mortgaged to be sold for taxes; the mortgagee may pay the taxes (after delinquency) or redeem any land so sold. Strangers to the title may not redeem land sold for taxes.

The same general statements concerning who may redeem apply to all of the other states, with the additional provision in Indiana, Nebraska and Wisconsin that the occupant of real estate is considered to have sufficient interest in the land to be allowed to redeem from tax sales and thereby acquire a lien on the land for the amount paid.

Interest charges which must be paid as redemption costs in each of the other states, except Illinois and Indiana, are set at uniform rates regardless of the lapse of time from date of tax sale to date of redemption, as they are in Kansas. Table 23 shows the charges which are added to the amount of the original tax sale, and on subsequent taxes and charges paid by tax sale purchasers. It will be noted that the methods of computing charges in Illinois and Indiana involve the use of sliding scales of increasing interest rates as time elapses from tax sale to redemption.

Table 10. First and Final Delinquency Dates and Lapse of Time After Due Dates in Ten Selected States, 1928.

State	Due Date	First Delinquency				Final Delinquency	
		Date delinquent	Number of months after due date	Portion of taxes which must be paid	Portion of taxes to which penalty applies if first installment unpaid	Date delinquent	Number of months after due date
Kansas	November 1	December 21	1 3/4	1/2	all	June 21	7 3/4
Illinois	January 2	--	--	--	--	May 1	4
Indiana	December 31	First Monday in May	4	1/2	all	First Monday in November	10
Iowa	First Monday in January	April 1	3	1/2	1/2	October 1	9
Michigan	December 1	--	--	--	--	January 10	1 1/3
Minnesota	First Monday in January	June 1	5	1/2	1/2	November 1	10
Missouri	October 1	--	--	--	--	January 1	3
Nebraska	November 1	--	--	--	--	May 1	6
Ohio	October 1	February 15	4 1/2	all road taxes and one-half of all other	all road taxes and one-half of all other	August 10	10 1/3
Wisconsin	Last Monday in December	--	--	--	--	February 1	1 1/4

Taxation of Delinquent Lands. Lands sold at tax sales, in Kansas, continue liable to be taxed in the same manner as if they had not been sold. They are assessed to the original owner. No one but the owner, or holder of record title is permitted to pay subsequent taxes before they become delinquent. The holder of tax sale certificates may pay the taxes after December 20 (first delinquency date), if the owner fails or neglects to pay them before that date.

Provisions for taxation of delinquent lands in all of the other states, except Illinois and Nebraska, are quite similar to those described above for Kansas (though they are not so specific). The major difference from these provisions in Illinois and Nebraska, is that in these two states, it is made the duty of the purchaser at tax sales to pay subsequent taxes on the land. If he fails to do so, and allows the land to again be sold for taxes or forfeited to the state, the time when he will be entitled to a deed is extended.

Notice of Expiration of Redemption Period. At least four months before the time limited for redeeming lands in Kansas, it is the duty of the county treasurer to publish a list of unredeemed lands, together with a notice that, unless such lands are redeemed on or before the days limited

therefor, specifying the same, they will be conveyed to the purchaser.

Similar notices are required in the other states; except that, in Illinois, Iowa and Nebraska responsibility for causing the notice to be served is placed upon the tax sale purchaser, and it must be personal notice on the owners, occupants, holders of record title and all incumbrancers of record. Failure to serve such notices will defeat a deed.

Execution of Deed. If any land sold for taxes in Kansas is not redeemed within three years from the date of sale, it is the duty of the county clerk, on presentation to him of a certificate of sale, to execute, in the name of the county, to the purchaser, a deed to the land so remaining unredeemed. A comparatively small percentage of delinquent lands were thus transferred in Kansas during the period 1928-33 (Tables 24 and 25).

Upon the expiration of redemption periods in each of the other states, deeds are executed in like manner, except for variations in four states. Of minor importance is the fact that deeds are executed by the State Auditor General in Michigan. Percentages of delinquent lands for which tax deeds were issued during the period 1928-33 were also low

for other states, although some of them were much higher than for Kansas.

Table 24. Percentages of Tax Certificates Sold During the Period 1928-32 for which Tax Deeds Were Issued by the End of 1932.⁹⁰

State	Per cent of certificates sold for which deeds were issued	State	Per cent of certificates sold for which deeds were issued
Indiana	16	Minnesota	Less than 1
Michigan	10	Iowa	(Not available)
Wisconsin	10	Nebraska	None
Illinois	Less than 2	Missouri	--- ^a , ^b
Kansas	Less than 1	Ohio	--- ^a , ^c

^aLaws of Missouri and Ohio do not provide for sale of tax certificates or tax liens.

^bDeeds were issued for 2 per cent as many properties as became delinquent.

^cNo tax deeds were reported during the period studied.

⁹⁰"Tax Delinquency of Rural Real Estate," U.S.D.A., Bur. of Agric. Econ., Washington, 1935-36. (mimeographed reports by states.)

Table 25. Number of Farms Changing Ownership Because of Delinquent Taxes, 91
Per thousand of all Farms, Twelve Months Ended March 15, 1930-33, 91

State	1930	State	1931	State	1932	State	1933
Michigan	8.9	Indiana	7.9	Indiana	11.9	Michigan	9.3
Indiana	7.1	Michigan	7.8	Michigan	9.4	Missouri	8.6
Missouri	5.4	Minnesota	7.7	Missouri	8.0	Kansas	8.4
Illinois	3.9	Missouri	4.2	Minnesota	7.4	Minnesota	8.1
Minnesota	3.7	Kansas	3.4	Kansas	7.1	Iowa	7.4
Wisconsin	3.3	Wisconsin	3.4	Iowa	6.3	Indiana	6.6
Kansas	2.6	Iowa	3.3	Wisconsin	4.8	Illinois	6.1
Iowa	2.2	Illinois	2.9	Illinois	4.7	Nebraska	5.7
Ohio	1.8	Nebraska	2.6	Nebraska	4.6	Wisconsin	4.4
Nebraska	1.1	Ohio	2.4	Ohio	2.9	Ohio	2.2

91The Farm Real Estate Situation, 1932-33," U.S.D.A. Circular No. 309,
Washington, 1934. Table 12.

Under the general revenue law of Nebraska, the purchaser, if he so desires, instead of demanding a tax deed, may proceed by a suit in equity in the district court of the county to foreclose his lien on the lands and cause them to be sold for the satisfaction thereof. Under the "scavenger law," all proceedings up to the execution of the deed must be confirmed by a judge of the district court before a deed will be issued. Any person claiming an interest in the land, who desires to appeal from a confirmation of sale by the district court, may do so to the supreme court within 10 days after the order of confirmation is given.

The holder of a tax certificate in Wisconsin may, at his option, in lieu of taking a tax deed, foreclose the same as in the case of a mortgage upon real estate.

Lands Bid Off or Forfeited to the County or State

Assignment. Those lands bid off to the county for want of other bidders at tax sales in Kansas may be subsequently assigned by the county. Whenever any person offers to pay into the county treasury a sum equal to the cost of redemption at that time of any tract of land bid off to the county it is the duty of the county treasurer to give him a

certificate of purchase. When assigned to the purchaser by the county clerk, such a certificate vests all the interest of the county in such land in the purchaser and is assignable to the same extent and in like manner as certificates given to purchasers at tax sales.

The lien of such a certificate is not valid without a tax deed taken thereon after the expiration of four years from the date when the land was bid off for the county, where the assignment is made more than one year prior to the expiration of three years from the tax sale at which the land was bid off. When the assignment is made three or more years from the date of the tax sale, then the lien expires in one year after the date of assignment, unless a tax deed is taken within that time. In the meantime, the lands thus assigned are subject to redemption and other regulations in the same manner as if they had been sold to private purchasers at the original tax sale.

There is no procedure comparable with this in four of the other states. It will be remembered that certificates are not sold at public auction in Missouri and Ohio. It will also be recalled that lands are not bid off or forfeited to the county or state in Indiana or Iowa in cases where no one else will bid at tax sales. In the remaining

five states, provisions for assignment of forfeited lands are somewhat similar to those described for Kansas.

If any person desires to redeem or purchase any tract forfeited to the state, in Illinois, he may apply to the county clerk who will issue an order to the county collector to receive the amount due (taxes, interest and charges plus 25 per cent on the whole amount). In cases of sales, the purchaser receives a certificate of purchase, and the property remains subject to redemption, notice and deed the same as if sold at a regular public tax sale.

All lands bid off for the state in Michigan continue liable to be taxed in the same manner as if they were not the property of the state. Any person may purchase any state tax lands at any time except during the annual tax sale and for fifteen days prior thereto, by paying to the Auditor General the amount for which the land was bid off to the state with interest at one per cent per month, together with subsequent taxes which have been returned to the Auditor General with interest at the same rate.

Purchase may be made of any state bid within the period allowed for redemption without the payment of subsequent taxes as a condition of purchase, in case the land is not held by the state as state tax land. In such cases, the

land remains liable to sale for all taxes remaining unpaid.

The purchaser of state tax lands or bids, in Michigan, receives a certificate and a deed under the same provisions and conditions as lands sold at the original tax sale.

Statutes of Minnesota also provide that taxes for subsequent years shall be levied on property bid in for the state in the same manner as if the sale had not been made. If the lands are not redeemed at any time, it is the duty of the county auditor to assign and convey the same, and the right acquired by the state at the tax sale, to any person who will pay the amount for which it was bid in, with interest at 12 per cent and all subsequent delinquent taxes, penalties, costs and interest thereon at 12 per cent from the time when they became delinquent. The purchaser must pay all subsequent delinquent taxes, penalties and costs with interest at 12 per cent.

If the land is not redeemed, the certificate will pass to the purchaser an estate therein in fee simple, without any other act or deed whatever. The certificate may be recorded, after the time for redemption has expired, as other deeds of real estate, and with like effect.

When lands, in Nebraska, are purchased by the county (under the general revenue law) or forfeited to the state

(under the scavenger law), certificates of sale are issued to the county or state, as the case may be, and they remain in the custody of the county treasurer. It is the duty of the county treasurer to assign such certificates to any person who wishes to buy them.

In the case of certificates issued to the county, the purchaser must pay the amount expressed on the face of the certificate and interest thereon at 10 per cent. In the case of certificates owned by the state, he must also pay all subsequent taxes and assessments on the land.

At tax sales in Wisconsin, it is the duty of the county treasurer to issue certificates to the county for lands struck off to it, in the same manner as if they were sold to private bidders. The real property upon which a county holds tax certificates continues liable to taxation with the county the exclusive purchaser at later sales. Assignment of certificates held by the county is left to the discretion of the county board in each county.

When no order to the contrary has been made by the county board, it is the duty of the county treasurer to sell and transfer, by assignment, any tax certificates held by the county to any person offering to purchase the same for the amount for which the land was sold with interest at 15

per cent. The county board may even order the treasurer to sell or convey certificates owned by the county at less than their face value, provided they give four weeks published notice of their intention to do so.

Sale to Highest Bidder. In general, provisions for tax sales require lands to be sold only if someone offers to pay the full amount of taxes, penalties and charges due on the land. In six of the states included in this study, when no one at a tax sale offers to pay the full amount of taxes and charges on any tract of land, it is bid off for the county or forfeited to the state.

In the place of such a provision as this in Indiana and Iowa, lands are offered at two successive tax sales for the full amount of taxes and costs due. If no one will bid for such lands for the full amount due, then at the third regular tax sale after the lands become delinquent, all lands remaining unredeemed and unsold for want of bidders will be sold to the highest bidder irrespective of whether his bid is equal to the full amount of taxes and charges due on the lands. Property owners are not permitted to purchase their own lands at such "scavenger sales."

The "scavenger law" in Nebraska also provides for similar disposition of real estate upon which the decree

includes either state or county taxes for four or more years. However, such sales in Nebraska are held to have been made upon the following conditions:

Any person may, within 18 months from the date of such sale, file with the county treasurer an offer to pay the amount of such sale with 18 per cent interest plus an additional "premium" of not less than 10 per cent of the original purchase price. At the end of the period of 18 months, it is the duty of the owner of a tax certificate purchased at a scavenger sale to examine the records of the county treasurer for premium bids. If he finds any premium bids, and he desires to increase the premium offered, he may do so within five days by paying to the county treasurer a premium equal to the highest premium offered on such tract plus an additional amount of not less than 5 per cent of the original purchase price. If the original purchaser does not desire to increase the premium, then it is the duty of the county treasurer to issue a new certificate of tax sale, bearing the same date as the original certificate to the person offering the largest premium on such sale.

In the meantime, no redemption from premium sales will be allowed for less than the amount of the decree, interest, costs and subsequent taxes paid.

In the same manner, land sold at scavenger sales in Iowa may be redeemed only upon payment of the full amount of the tax which is a lien upon such property.

Compromising Taxes. Whenever any lands in Kansas have been bid off for the county and have remained unredeemed for three years from the date of sale, and no person has offered to purchase the same for the taxes, penalties and costs due thereon, the county commissioners may permit the owner to redeem the land, or may authorize the county treasurer to execute and the county clerk to assign tax sale certificates for such lands for any sum less than the legal tax and interest thereon, as may be, in their judgment, for the best interest of the county. Such an assignment has the same force and effect as if the full amount of all taxes, interest and penalties had been paid. Indications are that this provision was little used in 1928 and 1929, but that 15 out of 39 counties availed themselves of it rather frequently during 1930 to 1933.⁹²

Similar provisions are found in Iowa, Missouri and Wisconsin. Taxes may be compromised in Missouri when it appears to the county court that any tract of land is not worth the

⁹²Questionnaire on tax collecting practices in Kansas, appendix.

amount of taxes, interest and costs due thereon. The statutes of Wisconsin insert the proviso that taxes may be compromised when it appears from any tax roll or tax proceeding that taxes, or a part of them, charged against any tract are illegal. The county treasurer, county clerk and district attorney, if they deem that there is reasonable cause to believe such taxes illegal, may compromise with the owner and receive, in lieu of the whole tax, the part which they believe to be equitable.

Leasing Lands Held by the County or State. In all cases where lands in Kansas have been held for delinquent taxes by a county for three years or more from the date of tax sale, the board of county commissioners may take possession of the lands and lease them to the highest bidder. They may lease the lands only for a year at a time, but may continue to lease them from year to year until the amount due the county for taxes is fully paid. Such leased lands are subject to the rights of the owner or mortgagee to redeem at any time, but such redemption does not affect the right of possession or use of the lands by the lessee until the expiration of his lease. From available information it seems that practically no use whatever is made of this

provision by county officials.⁹³

By a similar provision in Minnesota, when any parcel of land is bid in for the state, until its right is assigned or the land is redeemed, the county auditor may make and file with the clerk of the court where judgment is entered an affidavit that the land is rented and produces rent. The clerk of the court will then direct the sheriff to attach the rents accruing from such land and to collect the amount for which the land was bid in for the state.

Unavailable Taxes — Abandoned Lands. By a provision in the statutes of Iowa, no penalty or interest, except for the first four years, shall be collected upon taxes remaining unpaid four years or more from December 31 of the year in which the tax books containing the same were first placed in the hands of the county treasurer. The Board of Supervisors of any county, at their January meeting, may declare such tax unavailable.

In Michigan, lands bid off for the state and held by it for five years without any application having been made to pay the taxes, or purchase or redeem the lands, and on which no action is pending to set aside the taxes, are redeemed abandoned lands unless they are actually occupied by the

⁹³Questionnaire on Tax Collecting Practices in Kansas.
Appendix.

person having record title thereto.

The title of the state is deemed absolute in and to such lands. The lands will be examined by the Auditor General and the Director of Conservation and the Auditor General will make a transfer by deed to the state as an individual. The deed will be delivered to the Director of Conservation and the lands will be held as state tax lands. All taxes charged to them will be cancelled and they will be omitted from the assessment rolls thereafter until they are again sold and deeded by the state.

Foreclosure of the Lien of the County or State. In those Kansas counties where the "County Purchase Plan" has been adopted, the county treasurer is not permitted to accept money to redeem lands bid in by the county from anyone except the owner, holder of record title, mortgagee, or any of their legal representatives. All such lands must be held by the county until the expiration of three years from the date of sale, subject only to the right of redemption of the owner or one of the above named. They continue liable to be taxed in the same manner as if they were property of individuals and such taxes and charges are an additional lien on the lands. However, no lands bid off for the county will be sold for any taxes levied subsequent to such bid until they

have been redeemed, or sold by the county. If the subsequent taxes are not paid, the lands will be advertised with the other lands on which taxes are not paid and they are subject to the same charges as if they were sold. All tracts of land of less than \$50. value bid off for the county will not again be advertised unless so ordered by the board of county commissioners.

In all cases in which real estate has been sold and bid in by the county at any delinquent tax sale, and has remained unredeemed and the certificate of sale untransferred for the period of three and one-fourth years after such sale, it is the duty of the county attorney, when so ordered by the board of county commissioners, to institute an action in the district court, in the name of the board of county commissioners against the owners and all persons having an interest in the lands, petitioning the court to determine the amount of taxes, interest and penalties chargeable to each tract and to decree the amount so found due to be a first and prior lien upon the property, and that the same be sold at public sale for the satisfaction of such lien and costs and other necessary relief.

Thereupon a summons will be issued and served upon the defendants personally, if they are residents of the state.

If any of them are non-residents, service may be made by publication in a newspaper.

Such actions have precedence over all other actions in the district court except criminal cases. It is the duty of the court, in as summary way as possible, to investigate and decide what taxes have been legally assessed and charged on such lands, and to render judgment therefor together with legal interest and penalties. The court will also charge the taxes, interest and penalties as a first lien on the lands and order the lands sold.

Any person interested in any of the lands as owner or mortgagee may, before the day of sale, pay to the clerk or sheriff holding the order of sale the amount of the lien as determined by the order and judgment of the court with interest at 12 per cent from the date of judgment. Such payment will redeem the lands and stay all further proceedings against the land redeemed.

After the expiration of ten days from the date of judgment of the court, the clerk of the court must issue to the sheriff an execution or order of sale. The sheriff must thereupon cause a notice of sale to be published for thirty days in the official county paper. Sale is held at the door of the county courthouse. On the day fixed for the sale, it

is the duty of the sheriff to offer each tract separately and sell it to the highest and best bidder.

The sheriff must make a return of the sale to the district court. As soon as practicable, it is the duty of the court to examine the return and, if it is found to be regular, confirm the sale. The court also will order the sheriff to forthwith execute to the purchasers at the sale a good and sufficient deed therefor which will vest in the grantee a fee simple title.

It will be noted that such foreclosure action is not mandatory in Kansas, but is instituted by the county attorney only "when so ordered by the board of county commissioners." Answers to the questionnaire circulated among former county officials and others indicated that only four counties out of forty held foreclosure sales regularly each year during the period 1928 to 1933.⁹⁴ Answers from twenty-eight counties were that it was unknown when the last sale was held. One reported no sale within the last twenty years, and another that such a sale had "never" been held.

If any tract of land described in the petition for foreclosure filed with the clerk of the district court has any

⁹⁴ Questionnaire on Tax Collecting Practices in Kansas, Appendix.

rental or usable value, the county attorney may apply to the court to appoint a receiver to take possession of the property and collect the rents and profits therefrom. Such rents or profits, after deducting necessary expenses, will be applied in payment of the taxes on the property.

Foreclosure in Illinois may be by an action of debt in the name of the people of the state in any court of competent jurisdiction. Such action may also be brought by any county, town, school district, or other municipal corporation for the amount of the tax due it. The remedy provided under this provision is purely personal and the judgment is personal, and may be levied on property subject to execution.

In addition to provisions for foreclosure of tax liens in Indiana similar to those provided for Kansas, lands on which taxes have accumulated which aggregate an amount equal to or greater than their assessed valuation may be sold at public auction after they have been offered at two tax sales and remained unsold for want of bidders. A deed will be issued to the purchaser conveying a title for value free and clear of tax incumbrances.

At sales under foreclosure proceedings in Minnesota, the property may not be sold for less than the aggregate of taxes, penalties, interest and costs charged against it,

unless the cash value thereof fairly determined by the county board and approved by the State Tax Commission is less than such aggregate. In such a case, the value so fixed and approved is the minimum price for which the property will be sold.

All unsold parcels which are subject to delinquent taxes for ten years or more may be disposed of for a sum not less than one-fifth of the total taxes as originally assessed.

The purchaser of foreclosed lands in Minnesota is entitled to a deed after sixty days notice.

After foreclosure sales in Nebraska, (General Revenue Law) the owner or any person having a legal interest in the land still has a right to redeem within two years. After the expiration of two years from the date of sale, the court must again examine the proceedings. If they are found to be regular, they will be confirmed and the sheriff will execute and deliver a deed to the purchaser.

Under the "scavenger law" in Nebraska, the state or county may elect to take a deed to lands on which the redemption period has expired, by serving final notice on the owner and occupants at any time during the year following, in which case the redemption period is extended during that

year.

In Wisconsin, the county board may authorize the county clerk to issue quit-claim deeds to the county for all lands on which the county holds tax certificates and which are not redeemed as provided by law. Such deeds have the same effect as deeds issued to private individuals for lands sold for non-payment of taxes. Lands on which the county has thus taken tax deeds are thereafter exempt from taxation until they are sold by the county.

It will be recalled that the states of Missouri and Ohio do not engage in the procedure of selling tax certificates on delinquent lands, but proceed more or less directly into foreclosure of lands remaining unredeemed.

In Missouri, within thirty days after the settlement of the collector in odd numbered years, it is the duty of the county clerk to make, in a book called "the back tax book" a correct list of all tracts of land on which back taxes are due. When the book is completed, it must be delivered by the county clerk to the proper collector. It is then the duty of the collector to proceed to collect taxes listed in the "back tax book," but he may not bring suit thereon for one year after such taxes become delinquent.

Any person interested in, or the owner of any tract of land contained in the "back tax book," may redeem the same

by paying to the collector the amount of the original taxes, together with interest from the day upon which the tax first became delinquent at the rate of 10 per cent, and costs.

If, on January 1 of any year, any of the lands contained in the "back tax book" remain unredeemed, it is the duty of the collector to proceed to enforce payment of the taxes by suit in a court of competent jurisdiction to enforce the lien of the state. Any person interested in the land may still redeem after the commencement of the suit, and before sale. In addition to taxes and interest, he must also pay costs to the clerk of the circuit court. The delinquent's right to pay taxes is extinguished by the sale.

Notice of the sale is served by summons, if the delinquent is a resident, or by publication if he is a non-resident of the state. If the defendant fails to appear, judgment is taken by default.

The judgment, if against the defendant, must decree that the lien of the state be enforced, and that the real estate, or so much thereof as may be necessary to satisfy such judgment, interest and costs, be sold. The judgment must be executed as in other cases of special judgment and execution.

There being no statutory right of redemption, the purchaser, upon a valid sale, has the right to a deed. It is

the duty of the sheriff to execute the deed. It must be acknowledged before the circuit court, after which it will convey a title in fee to the purchaser.

As it was mentioned previously, proceedings in Ohio are quite similar to those in Kansas counties where the "County Purchase Plan" is adopted. It is the duty of the County Auditor to cause a list of delinquent lands to be published, together with a notice that, unless such lands are redeemed, they will be certified to the State Auditor as delinquent.

On the second Tuesday in February, it is the duty of the county treasurer and county auditor to attend at the courthouse and proceed to make certificates, to be known as delinquent land tax certificates, for each tract of land on which taxes, assessments and penalties have not been paid. A list of the lands certified delinquent must be sent to the State Auditor within five days thereafter. Interest at 8 per cent per annum is charged against lands so certified.

If a tract is certified delinquent and continues to be delinquent from year to year, it will not be advertised and certified delinquent again until it is redeemed or sold on foreclosure. It may be redeemed at any time before foreclosure proceedings have been instituted thereon by tendering to the county treasurer payment of the amount then due

and unpaid. The state has the right to institute foreclosure proceedings when the taxes have not been paid for four consecutive years.

It is the duty of the county auditor to file with the State Auditor a certificate of each delinquent tract of land, at the expiration of four years, upon which taxes, assessments, penalties and interest have not been paid for four consecutive years. Within three months thereafter, it is the duty of the State Auditor to cause foreclosure proceedings to be brought, in the name of the county treasurer, upon each unredeemed delinquent land tax certificate. The prosecuting attorney represents the county treasurer in such proceedings.

Delinquent tax foreclosure proceedings are similar to those for foreclosure of mortgages. The court is petitioned to make an order that the property be sold by the county sheriff in the manner provided by law for the sale of real estate on execution. Judgment will be rendered for such taxes, penalties, interest and costs as are found due and unpaid and the court will order the premises to be sold without appraisalment. The owner is not entitled to any exemption against such judgment and no statute of limitations applies.

Land sold in foreclosure proceedings for delinquent taxes must be offered for sale for not less than the amount of the judgment and costs, unless the prosecuting attorney applies for an appraisal, in which event the premises may be sold for at least two-thirds of the appraised value. Every tract offered for sale and not sold for want of bidders will be forfeited to the state, to be disposed of as the General Assembly may direct.

A delinquent tax sale of land does not vest the purchaser with title at the time of sale, but the purchaser obtains all the owner's title, whether legal or equitable. The county auditor will deliver to the purchaser a certificate of sale, and the land will be surveyed, if necessary. The county auditor, on presentation to him of a certificate of sale, will execute and deliver to the purchaser a deed. The purchaser is considered the assignee of the state and all taxes and penalties paid by the purchaser are a lien on the land.

The former owner of any land which has been forfeited to the state may redeem the same at any time before the state has disposed of it. Such lands are subject to have the taxes regularly assessed in the name of the state and the taxes must be returned, annually, by the county treasurer

as delinquencies. The county treasurer may contract with a suitable person to collect the taxes thereon at a compensation deemed just and proper, subject to the approval of the county commissioners, but not to exceed 25 per cent of the amount collected.

Once in two years on the second Monday of December it is the duty of the county auditor to sell lands forfeited to the state at public auction. Lands sold at forfeited tax sales are subject to redemption within six months from the date of sale, by payment of the amount of the sale with a 50 per cent penalty.

A more direct proceeding is provided under the so called "Dow law" in Ohio. When taxes charged against lands are not paid within the time prescribed by law, the county treasurer, in addition to other remedies provided by law, may, when requested so to do by the Auditor of the state (it is his duty) enforce the lien of such taxes by civil action for the sale of such premises. Action is in the court of common pleas of the county and is conducted in the same way mortgage liens are foreclosed. It is not necessary for the taxes to have been delinquent for four years.

Kind of Title Conferred by Tax Deed

Tax deeds in Kansas vest in the grantee an absolute estate in fee simple, subject, however, to all unpaid taxes and charges which are a lien thereon. The deed is prima facie evidence of the regularity of all proceedings from the valuation of the land by the assessor, inclusive, up to the execution of the deed. It may be recorded with like effect as other conveyances of land. The last tax deed issued for taxes of the latest year is paramount. All tax deeds must be recorded in the office of the register of deeds within six months from the date of issuance thereof. If not recorded within this time they are void.

From the layman's point of view, tax deeds issued in the other states appear to be similar to those issued in Kansas, with the exceptions which will be noted.

In Illinois, whenever the grantee of a tax deed is not in possession or occupation of the premises and does not institute proceedings in good faith to take possession within one year after the date of the deed; or whenever the grantee suffers the land to be forfeited to the state or again sold for taxes before he has completed the payment of

all taxes legally assessed thereon for seven consecutive years, the owner may still redeem the land by payment of the amount of money paid out by the grantee at the tax sale with interest at 7 per cent per annum. Parties claiming title by virtue of a tax deed have the burden of proving the validity of their tax deeds, and the burden is not on the other party to prove tax deeds void.

The same is true in Indiana. Persons claiming under tax deeds have the burden of proof to show compliance with the law in making the sale and levy of taxes. However, the holder of a tax deed in Indiana may commence a suit in the circuit court of the county to quiet his title, without taking possession of such lands, and all persons who claim to have, or appear of record to have any interest in, or lien upon the land may be made defendants. No outstanding unrecorded deed, mortgage, lease or claim will be of any effect against the title secured under such action. Action to quiet title is governed by the fifteen-year statute of limitations.

A tax deed in Michigan conveys an absolute title to the land, but the lands may be redeemed within six months after the deed has been issued, by payment of double the amount paid by the purchaser and a fee of \$5 for each description.

The purchaser cannot enter upon the premises until the expiration of six months after he secures a deed.

As with tax deeds in Indiana, the holder of a tax certificate in Minnesota may commence an action in the district court of the county to quiet his title at any time after the expiration of the period of redemption.

Tax deeds in Missouri convey only the interest of the defendant in the suit to foreclose the tax lien.

Grantees of tax deeds in Nebraska and Wisconsin secure a fee simple title to the land. They are entitled to immediate possession. In Wisconsin they may bring suits to quiet title any time within three years after the deeds are issued.

Limitation of Actions. Tax certificates issued to individuals in Kansas cease to be a lien on the land, unless a deed is taken out, after four years from the date of sale. On the other hand, proceedings to recover from a tax purchaser, except in cases where taxes have been paid or the land redeemed as provided by law, must be brought within five years from the date of recording the tax deed, and not thereafter.

Unless the holder of a certificate of purchase, in Illinois, takes out a deed and files it for record within

one year from and after the time for redemption expires, it and the sale upon which it is based are absolutely null.

In Indiana, if the purchaser fails to take a deed after two years and six months from the date of sale, no interest is charged or collected from redemptioner after that time. And if he fails to take a deed and have it recorded within four years of the date of sale, then the amount due him ceases to be a lien on the lands.

After eight years have elapsed from the time of any tax sale, in Iowa, and no action has been taken by the holder of a certificate to obtain a deed, it is the duty of the county auditor and county treasurer to cancel such sales from their tax sale index and tax sale register. Neither can any action for the recovery of real estate sold for non-payment of taxes be brought after five years from the executing and recording of the treasurers deed.

The lien of a certificate of sale, in Minnesota, is extinguished unless it is recorded in the office of the register of deeds before the expiration of seven years from the date of sale. On the other hand, a sale cannot be set aside unless the action in which the validity of the sale is called in question is brought within three years after the expiration of the time for redemption, except action on the

grounds that the parcel was exempt or that the tax was paid.

If the owner of a tax sale certificate in Nebraska fails or neglects to demand a deed or commence an action for foreclosure within five years from the date of the sale, the certificate ceases to be valid. However, no action can be maintained against a person in possession of real estate under a treasurer's deed who has been in possession thereunder for a period of five years.

From and after six years from the day of sale of any lands for nonpayment of taxes in Wisconsin, no deed will be issued. There is the additional provision that, if the original owner of the land continues in occupancy and possession thereof for three years after the recording of the tax deed, the deed is void. No action can be maintained by the former owner to recover possession of any land which has been conveyed by tax deed, unless he brings the action within three years after the recording of the deed.

No action for recovery of taxes against real estate in Missouri can be commenced after five years from the date of delinquency. Any suit or proceeding against a tax purchaser for recovery of lands sold for taxes, or to defeat or avoid a sale or conveyance of lands for taxes, must be commenced within three years from the time of recording the tax deed and not thereafter.

MAJOR CHANGES IN STATUTORY PROVISIONS
FOR CLEARING LANDS OF TAX DELINQUENCY, 1928-1933

Amortization Provisions

As a means of encouraging landowners to redeem their lands on which taxes had become delinquent, several states adopted amortization provisions during the years 1928-33.

The provisions adopted in Kansas were not, strictly speaking, amortization provisions. They provided only for the remittance and cancellation of penalties, costs and interest charges on lands bid off for taxes in the name of the county prior to 1933 and held by the county, provided such lands were redeemed on or before January 1, 1934.⁹⁵ An interest charge of one-half of one per cent per month was applicable on the original amount of such taxes unpaid after September 1, 1933. This provision was later extended to remit and cancel penalties, costs and interest on such taxes paid on or before January 1, 1935, subject only to an interest charge of one-half of one per cent per month after September 1, 1934.⁹⁶

⁹⁵Laws of Kansas, 1933, p. 498.

⁹⁶Ibid., Spec. Sess., 1933, p. 149.

Provisions for amortization of delinquent taxes in Indiana were enacted in 1932.⁹⁷ A general provision permits the payment of any installment of delinquent taxes in two payments, the first of which shall not be less than one-half of the full amount of such installment, and the second payment shall be the entire balance, with the penalty and interest due on such installment. This provision was made retroactive to apply to both installments of taxes for the year 1931. A special provision for the amortization of delinquent taxes for the years 1929, 1930 and the first installment for 1931 was also enacted in 1932, applicable only to those properties which had not been sold for delinquent taxes.⁹⁸ All such installments of delinquent taxes were required to be added together and they bore interest at six per cent per annum computed upon each installment from the date on which it became delinquent until paid. All penalties previously applicable were expressly waived. Any taxpayer who availed himself of the provisions of this act might pay the whole of such delinquent taxes and interest at any time prior to the first Monday in May, 1934; or he could

⁹⁷Laws of Indiana, Spec. Sess., 1932, p. 234.

⁹⁸Ibid., Spec. Sess., 1932, p. 51.

at his option, pay the same in ten equal installments, the first being payable on or before the first Monday of May, 1934, the second on or before the first Monday of November, 1934, and like installments on or before like dates during the years 1935, 1936, 1937 and 1938. In order to retain the benefits of this provision, the taxpayer must pay all installments on time, together with current taxes which are due and payable.

The above special provision for amortization of delinquent taxes in Indiana was changed in 1933.⁹⁹ The rate of interest on taxes being amortized was reduced from six per cent to four per cent per annum, and the taxpayer's option was extended to permit payment in twenty equal installments, rather than only ten. If the taxpayer elected to avail himself of this provision, all interest which had accrued on such delinquent taxes prior to the day on which the November installment of taxes was due in 1933, was required to be added to the total amount of all delinquent taxes due and unpaid, the amount so obtained to be payable in twenty equal installments with interest at four per cent per annum. The first installment was payable on or before the first Monday in May, 1934, the second on or before the first Monday in

⁹⁹Laws of Indiana, 1933, p. 149.

November, 1934, and like semi-annual installments during the years 1935 through 1943. The benefits of amortization are lost to any taxpayer who fails to pay any such installment, or any installment of current taxes on time.

Three provisions to encourage payment of delinquent taxes were adopted in Michigan. The second of these provisions was not, strictly speaking, an amortization plan.

The first provision for amortization of delinquent taxes in Michigan was adopted in 1932. It provided that, if between May 1 and October 1, 1932, any person paid 25 per cent or more of the taxes returned to the county treasurer as delinquent against him for the year, 1930, together with all penalties and interest upon the portion of taxes so paid at the rate of one-half of one per cent per month until the date of such payment; and if, on or before May 1, 1933, he also paid an additional amount sufficient to increase the total amount paid to 50 per cent of the 1930 taxes, penalties and interest; then the provisions of law relating to the advertisement, sale and redemption of his land would be delayed in their operation for the period of one year, during which the balance of the tax could be paid.¹⁰⁰

¹⁰⁰Public Acts of Michigan, Ext. Sess., 1932, p. 46.

Under a provision adopted in 1933,¹⁰¹ any unpaid 1930, 1931, 1932 and prior years' taxes could be paid between April 26 and July 1, 1933 without penalties, fees and interest charges.

Another provision of 1933 required the Auditor General to return to the county treasurers, in a special roll, all general and special assessment real estate taxes returned to the state as delinquent for 1931 and prior years and not theretofore cancelled, paid, sold or redeemed.¹⁰² Such returned delinquent taxes could be paid in 10 equal annual installments beginning on September 1, 1935 and annually thereafter without collection fees or penalties, but with interest at four per cent per annum on each installment from September 1, 1935 until the date of payment. If any installment was not paid on time, the land would be immediately returned delinquent and sold for taxes as other delinquent lands.

An amortization provision of a general nature was enacted in Minnesota in 1933.¹⁰³ Where taxes delinquent after November 1 against any tract exceed \$25, they may be paid

¹⁰¹Public Acts of Michigan, Ext. Sess., 1933, p. 64.

¹⁰²Ibid., 1933, pp. 179-181.

¹⁰³Laws of Minnesota, 1933, p. 129.

in installments of not less than 25 per cent thereof, together with all accrued penalties and costs up to the time of the next tax judgment sale. After such payment, penalties, interest and costs accrue only on the sum remaining unpaid.

A special provision for the amortization of 1931 taxes was also enacted in 1933.¹⁰⁴ During the year 1933, full payment of unpaid 1931 taxes could be made in installments of not less than 25 per cent of the original amount of such taxes. In case more than 50 per cent of the taxes remained unpaid on January 1, 1934, the amount remaining due was subject to a penalty of 10 per cent, together with interest from that date at 10 per cent per annum. In case 50 per cent or more of the 1931 taxes had been paid on or before January 1, 1934, the remainder could be paid at any time prior to the tax judgment sale, without penalty, in installments of not less than 25 per cent of the original amount plus all accrued interest and penalties. Any of the original taxes remaining unpaid on January 1, 1935, upon which no penalty accrued on January 1, 1934, were subject to a penalty of 10 per cent and interest after that date at 10 per cent per annum. Lands on which 1931 taxes remained unpaid on the second Monday in May, 1935, would be sold at the

¹⁰⁴Laws of Minnesota, 1933, p. 511-512.

regular tax sale.

Under a provision adopted in Missouri in 1933¹⁰⁵ delinquent and back taxes of 1932 and any prior years could be paid with full remission of penalties, interest and costs, if taxes were paid not later than June 30, 1933; with 75 per cent remission, if paid after June 30 and not later than August 31; 50 per cent remission, if paid after August 31 and not later than October 31; 25 per cent remission, if paid after October 31 and not later than December 31, 1933. After December 31, 1933, all penalties, interest and costs were restored.

A general provision for the amortization of delinquent taxes in Ohio was enacted in 1931.¹⁰⁶ Delinquent taxes and penalties charged against any entry of real estate may be paid in installments at and during 5 consecutive semi-annual tax-paying periods, whether such real estate has been certified as delinquent or not. Such installment payments may be made at the times provided by law for payment of current taxes and shall be received with the full amount of current taxes then payable and not otherwise. Each installment shall not be less than one-fifth of the total principal amount of the taxes and penalties so charged. Such partial

¹⁰⁵Laws of Missouri, 1933, p. 423-424.

¹⁰⁶Laws of Ohio, 1931, p. 827.

payments do not stay land from being certified delinquent.

A special provision was made available to taxpayers in Ohio who were charged with delinquent taxes for 1931 or prior years, provided that they paid their 1932 and/or the first installment of 1933 taxes then due and payable on time.¹⁰⁷ Such taxpayers were permitted to pay the full principal amount of such delinquent taxes less penalties, interest and other charges and receive credit for full payment, if they availed themselves of this opportunity prior to the February settlement in 1934. Or, such a taxpayer could, at his option, enter into a written undertaking to pay the full principal amount less penalties, interest and other charges in six annual installments, payable at the time for payment of current taxes, with interest at four per cent per annum. The first five installments must be for 10 per cent each of the full original amount plus interest, and the sixth annual payment must be for the balance plus interest.

Penalties on real property taxes in Ohio which had become delinquent for 1932 were remitted and cancelled if the principal amount was paid prior to October 20, 1933. Any person charged with real property taxes which had become

¹⁰⁷Laws of Ohio, 1933, p. 161.

delinquent at or prior to the August settlement in 1933 was permitted, at any time prior to September 1, 1934, to pay the full principal amount less penalties, interest and other charges and receive credit for full payment. He must, however, pay current taxes when due.¹⁰⁸

County boards of first class counties in Wisconsin were authorized, but not required, to waive payment of all or any part of the interest and penalties on delinquent taxes on real estate for the years 1931 and 1932 for which the county held tax certificates, provided such taxes were paid before July 1, 1934. In no event could any person be required to pay interest on such taxes paid before July 1, 1934 at a rate in excess of eight per cent per annum.¹⁰⁹

All penalties and interest charges accrued on state taxes and state charges required by law to be transmitted to the state treasurer by the second Monday in March, 1933, were remitted and cancelled, if taxes were paid on or before June 1, 1933.¹¹⁰

¹⁰⁸ Laws of Ohio, Spec. Sess., 1933-34, p. 228.

¹⁰⁹ Laws of Wisconsin, 1933, p. 609.

¹¹⁰ Ibid, 1933, p. 490.

An amortization plan of general nature adopted in Wisconsin in 1933¹¹¹ provided that the tax on any parcel of land returned to the county treasurer as delinquent may be paid in installments of not less than \$10 and in any multiple of \$5, and interest will be computed only on the unpaid balance.

Receivership

Receivership of delinquent real estate was authorized in Illinois in 1933.¹¹² Although it is apparent that this provision was aimed at Cook county, nevertheless, it is applicable to farm real estate. At any time after any installment of taxes becomes delinquent and has remained delinquent more than six months, the county collector may make application to any court of competent jurisdiction to be appointed receiver ex-officio of the rents, issues and income of such real property for the purpose of collecting and satisfying taxes, penalties, interest and costs. Decisions of lower courts may be appealed to the supreme court.

¹¹¹Laws of Wisconsin, 1933, p. 553.

¹¹²Laws of Illinois, 1933, p. 874.

Preparation for Tax Sales

The date for local collectors in Illinois to make returns to the county collector was changed from March 10 to February 1 in 1931,¹¹³ and the time for application of the county collector for judgment on delinquent taxes was changed from the June term of the county court to the September term.¹¹⁴ Returns of local collectors were postponed from February 1 to May 1 for 1932 and subsequent years.¹¹⁵

The last date for payment of taxes to town collectors in Wisconsin and the return of tax rolls by town collectors to county treasurers was extended from March 22 to April 10 in 1933.¹¹⁶

Publication of the order and petition for sale of lands delinquent for taxes for 1930 and prior years in Michigan was prohibited after February 8, 1933, so as to prohibit the

¹¹³Laws of Illinois, 1931, p. 749.

¹¹⁴Ibid., 1931, p. 745 and p. 752.

¹¹⁵Ibid., 1st. Spec. Sess., 1932, p. 111.

¹¹⁶Laws of Wisconsin, 1933, p. 214.

sale of such lands on the first Tuesday in May, 1933.¹¹⁷

Tax Sales

Tax sales in Illinois were automatically postponed from June to September when the application for judgment was changed from the June to the September term of the county court.

At the February, 1931 sale in Indiana for taxes delinquent on 1930 levies, and at subsequent sales, current taxes (not yet delinquent) were no longer included in the amounts for which lands were sold.¹¹⁸ Sale of real estate in Indiana for any installment of delinquent taxes is prohibited until fifteen months have elapsed after such installment became delinquent, under a provision enacted in 1932.¹¹⁹ Lands returned and remaining delinquent as shown by the lists prepared by the county auditor in December, 1932, were prohibited from being sold or advertised for sale before the

¹¹⁷Public Acts of Michigan, 1933, p. 3.

¹¹⁸Laws of Indiana, 1931, p. 5; also Spec. Sess., 1932, p. 234.

¹¹⁹Laws of Indiana, Spec. Sess., 1932, p. 234.

second Monday in February, 1934. The 1933 tax sale in Iowa was postponed first to December 4, 1933 and later to April 2, 1934.¹²⁰

Sales in Minnesota under judgment entered on default of answer against real estate for taxes levied for 1931 were prohibited prior to the second Monday in May, 1935, by a provision enacted in 1933.¹²¹

The 1933 tax sale in Wisconsin was postponed from the second Tuesday in June to the first Tuesday in August, 1933.

Sale of land for taxes of 1931 and prior years in Michigan was prohibited until default of any taxpayer on his amortization payments.¹²²

Redemption Period

The period allowed for redemption of land sold for taxes in Kansas was extended from three years to four years,¹²³ or at any time before a deed is issued. Partial

¹²⁰Laws of Iowa, 1933, p. 167; also Spec. Sess. 1933-4, p. 191.

¹²¹Laws of Minnesota, 1933, p. 511.

¹²²Public Acts of Michigan, 1933, pp. 179-181.

¹²³Laws of Kansas, 1933, p. 494.

redemption of lands bid off for the county is also permitted, by payment of the amount for which the land was sold for one or more years, beginning with the first year for which such land was carried on the tax sale book plus interest at 10 per cent. Upon such payment, the time when a tax deed can be issued is extended by the number of years paid.

In Illinois, redemption within two years was changed to permit redemption after the expiration of two years from the date of sale, at any time up to the date when a tax deed is issued.¹²⁴ In addition to other charges, interest at six per cent per annum is charged for redemption after two years and before deed is issued. This provision was made retro-active to apply to all property previously sold for taxes and on which no tax deed had been issued.

A moratorium on tax deeds was enacted in Iowa for lands which, in any year preceding 1932, had been sold for taxes and the time for redemption had not already expired.¹²⁵ Such lands could be redeemed and no treasurer's deed therefor could be issued prior to December 2, 1935, provided that the owner did not permit any taxes to become delinquent

¹²⁴Laws of Illinois, 1933, p. 924.

¹²⁵Laws of Iowa, Spec. Sess., 1933-34, p. 156.

against the same and remain delinquent after September 1 of any year.

A special provision extending the time for redemption of lands sold at the 1932 tax sale was enacted in Michigan.¹²⁶ By paying 40 per cent of the amount of such sale plus interest at one per cent per month on or before the first Tuesday in May, 1933, the owner was entitled to redeem any such land on or before the first Tuesday in May, 1934, by paying the balance due plus interest on such balance at one per cent per month.

The right of redemption from tax sales in Minnesota was extended beyond three years for a period of twelve months after proof of service of a notice of the expiration of the time within which redemption can be made has been filed in the county auditor's office.¹²⁷

The redemption period in Wisconsin was extended from three years to five years,¹²⁸ and redemption payments may be made in installments of not less than \$10 and in any multiple of \$5.¹²⁹

¹²⁶Public Acts of Michigan, Extra Sess., 1932, p. 14.

¹²⁷Laws of Minnesota, 1933, p. 608.

¹²⁸Laws of Wisconsin, 1933, p. 557.

¹²⁹Ibid., 1933, p. 553.

Redemption Costs

Redemption costs were reduced in Kansas by the change in the interest charge from the date of tax sale from 15 per cent per annum to 10 per cent per annum.¹³⁰

The penalty included in redemption costs in Iowa was reduced from 8 per cent to 4 per cent and the interest charge was reduced from 8 per cent to 6 per cent per annum.¹³¹

The rate of interest on the amount of tax sales and subsequent taxes which must be paid in order to redeem lands in Nebraska was reduced from 12 per cent to 9 per cent per annum.¹³²

County boards in Wisconsin were authorized to fix the interest rate to be paid upon redemption of tax certificates held by the county but it must not exceed 15 per cent per annum.¹³³

¹³⁰Laws of Kansas, 1933, p. 494.

¹³¹Laws of Iowa, 1933, p. 166.

¹³²Laws of Nebraska, 1933, p. 520.

¹³³Laws of Wisconsin, 1933, p. 696.

Foreclosure Dates

The foreclosure date in Kansas was changed from three years and three months after tax sale to four years after tax sale.¹³⁴

Whereas, foreclosures in Ohio were formerly authorized after four consecutive years of unpaid taxes, this provision was changed to permit foreclosure at the expiration of three consecutive years after taxes were first certified delinquent.¹³⁵

SUMMARY AND CONCLUSIONS

The primary purpose of this study was to examine and measure procedures used for collecting taxes on farm real estate in Kansas as compared with those used in other selected states. By this means it was hoped that some suggestions for improving the Kansas procedures might be discovered. The subject has been attacked from this point of view throughout. It might be worth while, however, to note also in retrospect some of the more or less obvious points

¹³⁴Laws of Kansas, 1933, p. 494.

¹³⁵Laws of Ohio, 1931, p. 836.

at which the Kansas procedure appears more desirable than those employed in other states.

The first general conclusion which must be drawn from this study is that tax collecting practices now followed in Kansas have proved fairly satisfactory as compared with practices followed in other North Central states. This conclusion appears to be particularly valid when it is applied to the final results secured. Initial, or short-term delinquency was comparatively high in Kansas in 1928 and even higher in 1932, but the greater part of this initial delinquency was eventually cleared with a minimum of distress to taxpayers.

Strangely enough, tax experts seem to agree that a high percentage of initial delinquency which is cleared before taxpayers are in real danger of losing their properties is the clearest indictment of tax-collecting practices. It is probable that this conclusion should be modified somewhat as it applies to the present study because of the unusual trend of economic events which occurred during the period covered.

It should not be assumed, however, that no improvements can be made in tax-collecting practices in Kansas. First, it seems clear that more effort should be made to encourage those taxpayers who pay their taxes eventually after they

are subjected to penalties, and the lands are sold at tax sales, to pay their taxes on time. Several means of accomplishing this purpose should be considered.

Kansas is not one of those states which permits personal property in the possession of the taxpayer to be levied upon, distrained and sold for real estate taxes either before or after delinquency. There appears to be little in this study to justify the use of this most ancient form of tax collection. Some real estate taxes may have been satisfied in this way in those states for which percentages of delinquency were lower, or in which delinquencies were cleared more quickly than in Kansas. On the other hand, in several states which authorize this procedure the amount and persistency of real estate tax delinquency was higher than in Kansas. Levying real estate taxes upon personal property complicates the legal proceedings greatly, undoubtedly increases the costs of collection, and probably augments the public treasury but little. The land itself should be sufficient security for any valid tax levied upon it.

The county unit of collection, which is employed in Kansas, is generally recognized as the most desirable. Several investigators, notably Kendrick, have pointed out the advantages of the county over the township or other

units. Savings to taxpayers in the costs of collection and the greater efficiency of centralized, unified county units are unquestioned advantages. Where it is required for the convenience of taxpayers, local banks should be appointed local receivers of taxes. Such a procedure should be definitely recognized and authorized by law in Kansas. The fact that such a practice has grown up of its own accord indicates that it is needed in some instances.

The county treasurer is the logical county officer to collect the taxes. The qualifications prerequisite to proper performance of the other duties of the treasurer fit him much better to collect taxes than any qualifications which might, for instance, make a good sheriff. Kendrick points out that different techniques are required to collect taxes, from those which might be effective in making an arrest or serving a summons.

Although there is no example which can be taken from this study to prove the point, it is the opinion of authorities on tax matters generally that collectors should be appointed -- not elected. The case cited of the effective method of collecting property taxes in Hamilton county, Ohio is rare so far as elected officials are concerned. Some taxpayers who vote for a collector are inclined to expect

leniency and special consideration as their reward, regardless of the fact that it may be illegal.

Collectors should be paid on a salary basis, as they are in Kansas. There seems to be little doubt that the fee system should be abolished in other states. Cases are known where collectors operating under fee systems have actually employed subterfuge to induce delinquency since their fees were higher for collecting taxes after delinquency than before.

There is ample evidence that taxpayers in Kansas should be kept more definitely aware of proceedings which are being taken by law against them as the tax collecting procedure progresses. There is one point in the collecting procedures for Illinois which might well be adopted officially and made mandatory for Kansas and each of the other selected states. Taxpayers should be notified definitely and individually of the amount of taxes charged against them, when they are due and when they become delinquent. Such notices might well take the form of carbon copies of tax receipts, the procedure now used in Illinois and used occasionally in Kansas on the initiative of county officials. It would be interesting to know to what extent the extremely low percentage of delinquency in Illinois was due to this single provision

alone. It is granted that by far the greater percentage of taxpayers do not need such a reminder, but it is easily conceivable that a considerable number of those who merely neglect to pay their taxes until after delinquency dates could be induced to pay on time by proper forewarning.

For the most part, it appears to be true that percentages of delinquency were lower during the period 1928 to 1932 in those states which offered a multiplicity of alternatives to taxpayers in the method of paying their taxes. The evidence does not seem conclusive, however, and the legal complications involved seem to discourage any recommendation that taxpayers in Kansas should be allowed to pay taxes only on part of a tract, or to pay only specified taxes, or that taxes should be collected from tenants, giving them recourse to recover from landlords.

More favorable consideration might be given to the possibility of permitting the payment of taxes in quarterly installments. As long ago as 1921, Ely pointed out the desirability of permitting taxes on real estate to be paid quarterly.¹³⁶ The National Tax Association's committee on Tax Delinquency also recommended quarterly payments in its

¹³⁶ Richard T. Ely, "The Taxation of Land," National Tax Association, Proceedings of the Fourteenth National Conference on Taxation, 1921, p. 282.

tentative draft of a model tax collecting procedure.¹⁵⁷ None of the states included in this study permitted quarterly payments of taxes during the period 1928 to 1932. The provisions adopted in Minnesota in 1933 could not be evaluated for the present comparison.

Penalties applicable to delinquent taxes in Kansas appear to be of sufficient severity to encourage prompt payment, and tax collecting officials do not seem to be greatly remiss in their duties of applying them.

There are indications that delinquency dates in Kansas should be set approximately thirty days later than they are at present. The present tax paying periods are not adjusted exactly to fit the income flow of farm taxpayers. In general, it may be observed that delinquencies were high in 1928 and 1932 in those states for which tax-collecting periods are as early as in Kansas. On the other hand, collecting periods in Illinois, Indiana and Ohio, where delinquencies were lower, are later than in Kansas. It seems plausible that the extra-legal extension of delinquency dates by a few county boards in the period 1930 to 1933 was prompted by the untimeliness of the dates established by law.

¹⁵⁷ Preliminary Report of the Committee of the National Tax Association on Tax Delinquency, National Tax Association, Proceedings of the Twenty-fifth National Conference on Taxation, 1932, pp. 326 and 327.

Under unusual circumstances there probably is some justification in providing for the extension of delinquency dates. It is possible that the extension of penalty dates for 1931 and 1932 taxes in Illinois accounted in part for the low percentage of delinquency in 1932. In order to maintain a wholesome attitude in the minds of taxpayers toward tax payments, however, tax authorities are generally agreed that penalty dates should be definitely fixed and there should be no extensions. The remittance and cancellation of penalties which have already been applied should also be discouraged because of the effect which they have on taxpayers who pay their taxes promptly.

The change in the method of applying penalties to delinquent taxes in Kansas in 1933 undoubtedly was a much needed step in the right direction, though it came too late to be measured in this study. The former flat penalty charge was no inducement to speedy payment of delinquent taxes, whereas the new 10 per cent interest charge on each installment as it becomes delinquent doubtless encourages delinquent taxpayers to discharge their taxes more promptly in order to escape the increasing penalty.

It is unfortunate that information for this study was not available which would reveal the extent to which the

many provisions for enforcing collection of taxes before tax sales in several of the states were used. Whether due to the fact that such provisions were not used or to their failure in use, the results secured do not seem to justify their existence in the statutes. Levying upon personal property, personal demands of taxes and prosecution upon money or other effects are complicated and expensive legal processes which have no place in the collection of real estate taxes. Again, it might be recalled that the land itself should be sufficient security for the taxes lawfully levied upon it.

Summary proceedings are as effective as any other for the collection of taxes and much more speedy. Courts have repeatedly held that property is not taken without "due process" when sold at tax sales, if taxpayers have been given an opportunity to be heard, even though it be only before those officers charged with the power to levy taxes. Neither do court proceedings prior to tax sales appear to add much to the validity of tax deeds secured upon the basis of such sales. The collector's warrant is sufficient authority for the sale. The practice of referring delinquent land lists to courts for execution and order of sale in some of the states might well be abolished.

If the sale of tax certificates on delinquent lands in Kansas is to be continued, several changes should be made in the manner of conducting such sales. First, it should be realized that counties are not banking institutions. If taxpayers must have credit, they should secure it elsewhere than from the county. This means that all delinquent properties should be offered to private bidders at tax sales. Only those properties which cannot be sold to private bidders for the amount of taxes, penalties and charges due should be forfeited to the county or state.

The laxity of county officials in proceeding to liquidate delinquent taxes on lands which have been bid off to the county under the county purchase plan in Kansas can have but one result. Where this plan is used, taxpayers will inevitably begin to think that it is unnecessary to pay their taxes. It seems likely that this might be the principal cause of the chronic character of much of the delinquency in Kansas.

Tax sales should be conducted on the basis of bidding down the rate of interest on tax certificates. A maximum rate of interest should be set by law, and the purchaser of any delinquent tract should be that person who offers to pay the taxes, penalties and charges due against the tract for

the lowest annual rate of interest on such amount. Such a procedure is much simpler than that now used in Kansas and lends itself less readily to the sharp practices of professional tax purchasers. Consequently it should work to the advantage of the delinquent taxpayer.

The above suggestions have been made on the basis of comparing tax collecting practices followed in Kansas with those followed in other selected states. They have assumed that no major change should be made in the collecting procedures used in Kansas, since the results secured under them compare rather favorably with those secured under the other procedures studied.

It would be foolish, however, to stop at this point. Procedures used for clearing delinquent lands in all of the states studied seem unnecessarily involved and full of delay. No doubt there was ample justification for delay in foreclosure proceedings during the years of general economic depression and unprecedented tax distress for farmers. But, can such procrastination be justified in normal times?

In the words of the National Tax Association's Committee on Tax Delinquency:¹⁵⁸

¹⁵⁸"Preliminary Report of the Committee on Tax Delinquency," National Tax Association, Proceedings of the Twenty-fifth National Conference on Taxation, 1932 pp. 325 and 326.

"... Loosely-drawn tax laws and laxity and procrastination in collection are, in the long run, no kindness to the taxpayer. Both taxpayer and government should profit from a better collecting procedure.

"It therefore seems ... that the cause of good government would be served and benefit would accrue to all groups of taxpayers if a procedure could be adopted that would cut through the maze of tradition, historic safeguards, and legal technicalities that now confuse and delay tax collections and that would provide a single course that is short and clear and certain.

"The whole business of tax payment should be promptly brought to definite termination, by payment or foreclosure and transfer of clear title, rather than allowed to drag on by sale of liens, certificates, deeds, etc., with long and indefinite periods for redemption. The sale should be sale of the property itself and not sale of a tax certificate or lien."

Should it be deemed unwise to adopt so radical a change as to abolish the sale of tax certificates in Kansas and proceed to foreclose at once, a compromise might be suggested. All taxes unpaid on specified dates should be subjected to rather severe penalties as they are at present in

Kansas. Delinquency would automatically throw the taxpayer into amortization proceedings which would be so arranged as to accommodate those taxpayers who were genuinely deserving of consideration because of unfortunate circumstances.

Such amortization proceedings might extend over a period of two years. If, at the end of that time, the delinquent taxpayer had not made stipulated progress in amortizing his delinquent taxes, foreclosure of the land would take place automatically.

In general, two major recommendations have been made from this study. First, more effort should be made in Kansas to encourage taxpayers who are habitually delinquent, but who pay eventually, to pay their taxes on time. Second, procedures for clearing delinquent lands should be made more prompt and direct. All provisions of law should be made mandatory and certain and taxpayers should be kept more definitely aware of the proceedings.

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APPENDIX

**QUESTIONNAIRE ON COUNTY ADMINISTRATION OF THE
COLLECTION OF TAXES ON FARM REAL ESTATE IN KANSAS**

Q. Were there evidences that the county commissioners had made adjustments to permit the payment of the first half of the taxes after December 20, and/or the last half of the taxes after June 20, without the application of penalties in either case?

A. Yes - 17. No - 20. No answer - 3.

Q. If such adjustments were made, what dates were considered "due dates"?

A. <u>First Half</u>	<u>Last Half</u>
December 31 - 8	June 30 - 8
January 20 - 4	July 20 - 5
February 15 - 1	August 15 - 1
February 20 - 2	August 20 - 1

Dates not given - 2.

Q. In what year, or years, were these adjustments made?

A. 1928 - 11	1931 - 13
1929 - 11	1932 - 14
1930 - 10	1933 - 15

Q. Were payments of current taxes accepted in more than two installments in any cases during any year (Answer "yes" only if it was a rather general practice)?

A. Yes - 2. No - 37. No answer - 1.

Q. How many installments were permitted?

A. Three - 1 Four - 0 Any number - 1

Q. Were penalties and interest charges computed and charged on taxes which were not paid until after delinquency dates, but which were paid before being recorded in the "Book of Delinquent Tax Sales" in September?

A. Yes - 34 No - 6

Q. Did your county, at any time between 1928 and 1933, use the "County Purchase Plan" which allows the county to bid in all properties on which taxes become delinquent without first giving private individuals an opportunity to bid on them?

A. Yes - 32 No - 8

Q. If this plan was adopted by the county, was it later discarded (Give date)?

A. Yes - 3 No - 29 Not applicable - 8
 Dates - October 1934, May 1933, 1931

Q. Did your county apply the provisions of the laws of 1933 permitting the county treasurer to accept money to redeem delinquent properties which had been bid in by the county, only from the owners of those properties, and from no other individuals?

A. Yes - 27 No - 11 No answer - 2

Q. Was payment of "back taxes" accepted and applied on any year's taxes desired by the owner, regardless of whether or not it was the earliest levy remaining unpaid at the time this payment was made?

A. Yes - 22 No - 18

- Q. Have public auctions been held yearly to sell those lands which were bid in by the county and which reverted to the county by reason of not being redeemed before the redemption period had passed?

A.

1928-1933

Yes - 4 No - 32 No answer - 4

Before 1928

Yes - 4 No - 26 No answer - 10

- Q. Was such a sale held between 1928 and 1933?

A. Yes - 10 No - 22 No answer - 8

- Q. If not, when was the last sale held?

A. Never - 6 Unknown - 2 No answer - 22

- Q. In cases where properties reverted to the county, but were not offered for public sale, were the owners evicted?

A. Yes - 0 No - 39 No answer - 1

- Q. If the owner was not evicted, was he required to pay rent to the county?

A. Yes - 1 No - 30 No answer - 9

- Q. If the owner was neither evicted nor required to pay rent; what disposition, if any, did the county make of such properties during the period 1928-1933?

A. Assignment - 3 Foreclosure proceedings - 4
 Deed to county - 1 No action - 22

- Q. Did the county authorities compromise with the delinquent taxpayer by accepting part of the taxes delinquent in lieu of the full amount?

A. Yes - 16 No - 21 No answer - 3

Q. If so, was this done frequently during 1928 and 1929?

A. Yes - 0 No - 38 No answer - 2

Q. Was it done frequently during 1930 to 1933?

A. Yes - 4 No - 34 No answer - 2

