

The costs of a tax sale are limited to \$1, one-half of which goes to the general county fund and the other half to the county school fund. The collector of taxes is abolished and his duties are made to devolve upon the county treasurer. The territorial board of equalization is made to consist of the Governor, secretary, auditor and treasurer, whose compensation is fixed at \$100 per annum each. This board may appoint a secretary at \$4 per day for actual time. Mileage is fixed at 10 cents one way. The board shall equalize taxes between counties and shall assess the main lines of railroads. But county assessors shall assess depots, territorial properties, branch lines, etc.; also railroad lands in the several counties.

There are numerous minor changes of the present laws relating to revenue proposed in the bill, which appears to have been carefully and conscientiously drawn.

The time lost by the Council while the lead memorial was pending has, it is claimed, been fully made up, and members of that body represent themselves to be engaged industriously in the dignified and conscientious consideration of the business before them.

Up to the commencement of the session today, there had been introduced into the Council 58 bills. The House led the Council with 79 bills. These figures do not include resolutions, memorials, etc. When the large number of claims and petitions, etc., that is now in the hands of committees, is added to the above figures, it will be seen that the committees have a great amount of work in hand, considering the stage of the session.

#### THURSDAY.

After the close of the News' report yesterday, H. B. 59, amending the present law relating to the platting and laying out of towns, came up on third reading. Its object is to allow plats made in boom times, out in the farming districts, to be relegated to agricultural uses, if the owners so desire.

Consideration of this bill was interrupted by the arrival of the hour fixed for consideration of the mortgage tax bill. Sears asked that the latter bill be made special order for next Wednesday. He had written to San Francisco for data and desired time to prepare to discuss the bill.

Varian, author of the bill, opposed delay. He said this was not a bill to tax mortgages, but to tax debts secured by mortgages. The bill was a proposition to enact what had been, up to two years ago, the law of the Territory for twenty years. Sears said the bill was regarded by business men and financiers as a dangerous measure, and urged delay.

Allen said this bill involved the question. Shall a certain kind of property in this Territory bear its share of the burdens of government? He thought the House was as well prepared to discuss this question now as it would be in a week hence. The House voted against delay.

The bill is as follows:

Section 1. All notes, bonds and other indebtedness, secured by trust deed or mortgage hereafter given, shall be assessed and taxed as other personal property, at its cash value to the owner thereof; and any agreement or promises at any time made by the debtor to di-

rectly or indirectly pay or discharge the taxes on any loan procured by or extended to such debtor, shall be null and void, and shall not be enforced in any court in this Territory; provided, the provisions of this act shall not apply to non-resident creditors or mortgagees.

Sec. 2. During January of each year county recorders of the several counties shall furnish the respective assessors with a certified abstract of all mortgages and trust deeds remaining unsatisfied of record, for which the recorder shall receive ten cents for each mortgage or trust deed abstracted, half of the amount to be paid by the county and half out of the Territorial treasury. The auditor of public accounts shall draw his warrant in favor of the recorder for the Territory's proportion of the amount upon proof by affidavit of the service and amount. All indebtedness secured by the mortgages and trust deeds so returned shall be assessed as in the first section of this act provided.

Sec. 3. An act entitled "An act to amend section 2009 of the Compiled Laws of 1888, relating to the exemption from taxation of mortgages and trust deeds," and repealing chapter 49 of the Session laws 1890," approved March 10, 1892, is hereby repealed, and this act shall take effect upon approval.

Varian opened the debate by saying he could not complete his argument in ten minutes, and he desired unanimous consent to take more time. He said this bill had been erroneously confounded in the public mind with another which proposed to tax foreign capital, whereas the present one aimed at nothing of the kind. This bill regarded solvent debts and credits, owned by residents of the Territory, as property which ought to be taxed. The proper standpoint from which to view the question was that of the state, not of the borrower nor of the lender. The state must have revenue or it cannot exist, and revenue laws are necessarily harsh and arbitrary. They ought, however, to lay their burdens on all property with as great a degree of equity as possible. Not more than 40 per cent of the property of this country is in tangible form. 60 per cent of it being in the form of notes, bonds, etc. It was held by some that when a debt was created no new property was brought into existence, but the speaker denied the proposition. Credit was the reputation of being able to pay, and was valuable to a man. Up to two years ago the Legislature of this Territory had held that credit was taxable property. Under the present law a man who holds a \$10,000 note which is unsecured, must pay a tax on it, but the man who owns a \$10,000 note secured by a mortgage on real estate, pays no tax on it. The speaker dwelt on the injustice of this discrimination. He declared that taxing a solvent debt secured by a mortgage was not double taxation. The question had been considered by nearly every constitutional convention ever held in this country, and by the courts of most of the states, and there was only one dissent from the rule that credits, secured or unsecured, were taxable. The supreme court of California had decided that taxing mortgages was double taxation, but the people reversed that decision when the constitution of 1879 was adopted, for they incorporated in it a clause to the contrary. The common law for ages had spoken of both corporeal and incorporeal property. The

speaker read from decisions of courts in Alabama and Louisiana supporting his position. He said the Legislature must do one of the two things if it would be fair with the people: It must tax all credits or it must tax none, regardless of their being secured by mortgage. The threat was made if the bill passed, money lenders would not lend. He denied that there was anything in this threat. If security were offered, money could be borrowed, and questions of taxation and interest were self-adjusting. This Territory was about to assume the untold burdens of statehood, and its legislature would have to determine where to place the burdens of taxation. This Assembly would have to confront the question at its present session, not of borrowing, but of how much to borrow. The speaker deprecated having such legislation as this bill disposed of by stock brokers and commission agents, and closed by asserting that the bill was not one to tax mortgages, but to restore to the taxing powers of the sovereignty a class of property which had been unjustly excluded therefrom.

Hubbard proposed to treat the subject from a practical standpoint. If the bill would add to the burdens of the poor, he would oppose it. He read from the report of the board of equalization rendered in 1892, showing that this was the effect of the old law which this bill re-enacts. He also read a statement made by W. J. Lynch, assessor for Salt Lake county, showing the difficulty and expense of enforcing the old law, and that the cost exceeded the results. The provision of the bill that the borrower should not pay the tax would, the speaker thought, cause an increase in the rate of interest. Home capital would evade the law by being loaned in this Territory in the name of some agent residing in another state, and additional difficulties and burdens would be placed upon the home borrower by the passage of this bill.

At the close of Hubbard's remarks Sears said he would like to be heard on the bill, and the House adjourned with the understanding that the debate would be continued today.

#### FRIDAY.

One of the first bills introduced in the House was that of Johnson, for an estray law. The live stock committee of the House appears to have given it much consideration, and it is understood that a number of persons interested in the subject were listened to by the committee. According to the statement of Hatch, chairman of that committee, the latter fully realized the difficulties which the subject involved, and came to the conclusion that the bill was better than the present law, and a fair compromise between farmer and stockgrower. It was debated with some earnestness, but finally passed with only two negative votes. It remains to be seen what the Council will do with it. That body is considering a bill upon the same subject introduced by Hart.

The conference committee on printing proved a failure so far as breaking the deadlock that has existed upon that subject for about three weeks. The House decided to insist upon its former action, and the Council did likewise, notwithstanding that a majority report of the conference com-