

In the event that there is no real estate in Minnesota in the estate of the insured and no petition for probate of the estate has been filed within 90 days after the death of the insured the Attorney General shall determine the inheritance tax.

The receipt of any such proceeds upon which no tax is imposed shall not affect the right to any exemption otherwise provided in this act."

Sec. 4. **Who are affected.**—The increased rates provided hereby shall apply in the case of inheritances from all decedents dying after the approval of this act.

Approved July 15, 1937.

CHAPTER 51—H. F. No. 14

An act to amend Section 2199-1 Mason's Minnesota Statutes of 1927, to permit the payment of personal property taxes by persons holding a lien or encumbrance upon the personal property of the person assessed and giving them a lien therefor; making the non-payment of personal property taxes a default in liens and encumbrances upon the personal property of the person assessed; and providing for the enforcement of said liens.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Who may pay personal property taxes.**—Section 2199-1 Mason's Minnesota Statutes of 1927 is hereby amended to read as follows:

"Section 2199-1. The taxes assessed upon personal property, with lawful penalties, interest and costs, shall be a first and perpetual lien, superior and paramount to all other liens or encumbrances thereon, *except the vendor's interest in conditional sale contracts, whether prior or subsequent in point of time, upon all of the personal property then owned by the person assessed from and including May 1 in the year in which they are levied, until they are paid; provided such lien shall not continue on items of personal property sold at wholesale or retail in the ordinary course of business.*

Immediately after distraining any personal property for taxes, whether under Section 2090 Mason's Minnesota Statutes of 1927, or Section 2199-2 Mason's Minnesota Statutes of 1927, the sheriff, in addition to all other notices now required by law, and before giving any such notices, shall give written notice of such distraint by registered mail to all persons holding a lien or encumbrance upon any of

the property of the person assessed, owned by him at the time of the assessment, whose lien or encumbrance is filed with the Register of Deeds as authorized by law, if such filed instrument or filed assignment thereof shall contain the post office address of the holder or assignee of such lien or encumbrance. Such notice shall state the name of the person assessed, a description of the personal property distrained, and the amount of the taxes, penalties, interest and costs claimed against such property. Any person claiming a lien or encumbrance against any property of the person assessed owned by him at the time of the assessment may pay the amount so claimed to the sheriff within fifteen days after the mailing of such notice, and no notice of the sale of such distrained property shall be given until after the expiration of said fifteen days. Upon such payment being made, the sheriff shall issue his receipt therefor to the person making such payment, and shall state therein the fact of such payment, the name of the payor, the name of the person assessed, and a description of the personal property assessed, and shall return the property distrained to the person from whom it was taken, or to the person making such payment if the latter shall so require. Within five days after the issuance of such receipt the person making such payment shall file such receipt in the office wherein a chattel mortgage upon such property would be filed, and such person shall thereupon have a first and perpetual lien for the amount so paid, together with interest thereon at the rate of 8% per annum from the date of such payment, superior and paramount to all other liens or encumbrances, except the vendor's interest in conditional sale contracts, upon all of the personal property of the person assessed owned by him at the time of the assessment, whether all of such property was distrained or not, and may foreclose such lien by action with the same right of redemption in the person assessed or those lawfully claiming under him as is provided for mortgagors and those claiming under them in the case of foreclosure of chattel mortgages. Upon the trial of such action said receipt of the sheriff, or a certified copy thereof, shall be prima facie evidence of the amount and validity of the taxes, penalties, interest and costs so paid, of the fact of such payment, and of the ownership of the property therein described by the person assessed at the time of the assessment.

The failure of any person to pay any tax assessed upon his personal property before any penalty, interest or costs shall accrue for non-payment thereof, shall constitute a default in all liens or encumbrances upon any personal property owned by him at the time of such assessment, and shall authorize the holder of such lien or encumbrance to forthwith foreclose the same."

Approved July 15, 1937.