**§ 199.133 -- Levy of nonrecurring tax.**

**(1)** A one-time nonrecurring tax of 2 mills is hereby imposed on each dollar of the just valuation of all notes, bonds, and other obligations for payment of money which are secured by mortgage, deed of trust, or other lien upon real property situated in this state. This tax shall be assessed and collected as provided by this chapter.

**(2)** The nonrecurring tax shall apply to a note, bond, or other obligation for payment of money only to the extent it is secured by mortgage, deed of trust, or other lien upon real property situated in this state. Where a note, bond, or other obligation is secured by personal property or by real property situated outside this state, as well as by mortgage, deed of trust, or other lien upon real property situated in this state, then the nonrecurring tax shall apply to that portion of the note, bond, or other obligation which bears the same ratio to the entire principal balance of the note, bond, or other obligation as the value of the real property situated in this state bears to the value of all of the security; however, if the security is solely made up of personal property and real property situated in this state, the taxpayer may elect to apportion the taxes based upon the value of the collateral, if any, to which the taxpayer by law or contract must look first for collection. In no event shall the portion of the note, bond, or other obligation which is subject to the nonrecurring tax exceed in value the value of the real property situated in this state which is the security. The portion of a note, bond, or other obligation which is not subject to the nonrecurring tax shall be subject to the annual tax unless otherwise exempt.

(§ 199.133 enacted by L. 1985, c. 85-342, § 10; amended by L. 2006, c. 06-312, § 10.)