

prior taxes that may remain due and unpaid on said property and any purchaser of delinquent certificates that shall suffer a subsequent tax to become delinquent and a subsequent certificate of delinquency to issue on the same property included in his certificate, such first purchaser shall forfeit his rights thereunder to the subsequent purchaser, and such subsequent purchaser shall at the time of obtaining his certificate redeem said first certificate of delinquency outstanding by depositing with the county treasurer the amount of said first certificate with interest thereon to the date of said redemption and the amount so paid in redemption shall become a part of said subsequent certificate of delinquency and draw interest at the rate of twelve per cent per annum from the date of payment. Said holder of a certificate of delinquency permitting a subsequent certificate to issue on the same property, shall, on notice from the county treasurer, surrender said certificate of delinquency on payment to him of the redemption money paid by the subsequent purchaser: *Provided*, That this section shall not apply to counties or municipalities.

Forfeiture
of rights to
subsequent
certificate
purchaser.

Exception.

Passed the House March 3, 1917.

Passed the Senate March 7, 1917.

Approved by the Governor March 15, 1917.

CHAPTER 143.

[H. B. 134.]

POWERS AND LIMITATIONS OF TAXING DISTRICTS.

AN ACT relating to the financial affairs of taxing districts, limiting and prescribing what shall be treated as assets in computing indebtedness of taxing districts, limiting their power to contract debts or incur liabilities and prescribing a method for determining the same, and declaring an emergency.

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

SECTION 1. No taxing district shall for any purpose become indebted in any manner to an amount exceeding one and one half per centum of the last assessed valuation

Limitation
on indebted-
ness of tax-
ing districts.

of the taxable property in such taxing district, without the assent of three-fifths of the voters therein voting at an election to be held for that purpose, nor in cases requiring such assent shall the total indebtedness at any time exceed five per centum of the last assessed valuation of the taxable property in such taxing district: *Provided*, That no part of the indebtedness allowed in this act shall be incurred for any purpose other than strictly county, city, town, school district, township, port district, metropolitan park district or other municipal purposes: *Provided further*, That any city or town, with such assent, may be allowed to become indebted to a larger amount, but not exceeding five per centum additional, determined as herein provided, for supplying such city or town with water, artificial light and sewers, when the works for supplying such water, light and sewers shall be owned and controlled by the city or town: *Provided, further*, That nothing herein contained shall be held to extend the debt limitations now imposed by law or any city charter on the powers of any taxing district.

Additional
indebtedness
for public
utilities.

SEC. 2. Whenever it shall be necessary to compute the indebtedness of a taxing district for bonding or any other indebtedness purposes, taxes levied for the current year shall not be considered an asset, but shall be deemed for such purposes to have already been pledged and expended for the purposes for which they were levied; nor shall any money in the treasury of said taxing districts, levied and collected for the purpose of carrying on the current business of such taxing district, be considered as such asset, but shall be deemed likewise as having been pledged and set apart for the purposes for which the money was levied and collected: *Provided, however*, That all taxes levied for the payment of bonds, warrants or other public debts of such taxing district, shall be deemed a competent and sufficient asset of the taxing district to be considered in calculating the constitutional debt limit or the debt limit prescribed by this act for any taxing district: *Provided*, That the provisions of this section

Computation
of indebted-
ness.

Taxes for
current bus-
iness not
an asset.

Tax levies
for bonds
and public
debts consid-
ered assets.

shall not apply in computing the debt limit of a taxing district in connection with bonds authorized pursuant to a vote of the electors at an election called prior to March 1, 1917.

SEC. 3. All orders, authorizations, allowances, contracts, payments or liabilities to pay, made or attempted to be made in violation of this act, shall be absolutely void and shall never be the foundation of a claim against a taxing district: *Provided*, That the limitations imposed by this act shall not apply to debts contracted by any taxing district prior to March 1, 1917.

Liabilities in violation of act void.

SEC. 4. The term "taxing district" as herein used shall be held to mean and embrace all counties, cities, towns, townships, port districts, school districts, metropolitan park districts or other municipal corporations which now, or may hereafter exist.

"Taxing district" defined.

The term "the last assessed valuation of the taxable property in such taxing district" as used herein shall be held to mean and embrace the aggregate assessed valuation for such taxing district as placed on the last completed and balanced tax rolls of the county next preceding the date of contracting the debt or incurring the liability.

"Assessed valuation of taxable property" defined.

SEC. 5. This act is necessary for the immediate preservation of the public peace, health and safety, support of the state government and its existing public institutions, and shall take effect immediately.

Emergency.

Passed the House February 24, 1917.

Passed the Senate March 6, 1917.

Approved by the Governor March 15, 1917.