

value of real property in the year during which any such guarantee shall be given and the assessed value in each year after the improvements shall be completed: Provided always, that such guarantee shall be limited as hereinafter pointed out.

By-law to be first passed, consented to, and approved.

II. Before any Municipal Corporation shall incur any liability under the powers conferred by this Act, a By-law according to form A. in the schedule, shall first be passed with the consent of the Municipal electors thereto, which consent shall be obtained in the manner defined by the 4th, 5th, 6th, 7th, 8th, and 9th sub-sections of the second section of the Act 16 Vic., cap. 22; and if approved by such Electors, and afterwards passed by the Council, then such By-law and all the provisions thereof shall be subject to the approval of the Governor in Council and shall have no force until such approval shall be given.

When Railway or road made and in use, Council may assess and levy an annual rate on increased value of property certain distances thereof.

III. Each Municipal Corporation giving such guarantee as they are by this Act empowered to give, shall annually, so soon as the gravel roads or Railways or both, shall be made and in use, assess and levy upon the rateable real property of the Municipality situate within fifteen miles of the Railway or of such part of it as may be in operation, or within five miles of any gravel road or roads which shall be made and fit for use, such rate or rates as may be determined by the By-law to be passed, not exceeding one per cent. per annum on (except in the case provided for by the fourth section) the increase as aforesaid; and which rate or rates shall continue to be assessed and levied annually, either for such a limited number of years as may be agreed upon and named in the said By-law, or until the aggregate sum realized thereby shall be equivalent to the amount of bonus intended to be granted with interest from the date of the By-law added thereto, the present value of such intended bonus being named in the By-law to be passed.

So long as increase of value of such property is less than fifty per cent., half the rate may be calculated on the whole assessed value of such property.

IV. Should the total assessed value of real property within fifteen miles of any Railway or five miles of any gravel road, in any Municipality aiding under authority of this Act in the construction of such works, be found on their completion to have increased less than fifty per cent. over the total assessed value within the same limits at the time the guarantee was entered into, then and in that case one half the rate determined by the By-law shall be calculated on the whole assessed value of real property within the limits aforesaid and levied accordingly; and such half rate on the whole assessed value within the limits aforesaid shall continue to be assessed and levied until the total assessed value within the limits referred to exceeds the original total assessed value by fifty per cent. thereof: But whenever the total assessed value of real property of a Municipality within the limits aforesaid exceeds by fifty per cent. or upwards the total assessed value of the same property during the year when the By-law may be passed before the improvements are commenced, then the rate determined and fixed by the By-law shall be assessed on the increase only, as described in the first and third sections.

By-law once passed and consented to, to be valid and binding, but rate to be levied only as above.

V. After a By-law has been finally passed by the Council of a Municipality with the consent of the electors as aforesaid, it shall be valid and binding upon the municipality, but the rate shall not be levied on any property situate more than five miles from any gravel road and more than fifteen miles from any railroad or such part of it or them as