

of the total valuations of the portions formed out of the separate municipalities, and having added a percentage to the lowest assessed to bring up that portion, they easily get at the relative proportions of school moneys payable by each. If they find, for instance, when they have thus equalized the valuations that the total property of the union section in one municipality is but a fourth of the total property in the other municipality, their award states that the first named shall pay one-fourth of the annual requirements of the school, while the other shall pay three-fourths. The school trustees in accordance with that award make their demand on the respective councils for the respective amounts thus required. The clerk, to make the amount called for by the trustees, strikes his rate the same as he would for any other purpose. The rate on the \$ will be somewhat higher in the municipality which has been undervalued, but that is all the difference the equalization makes. Thus it is seen that it is not a necessity for *taxation purposes* that the assessors' award be made known to the clerks.

Do you think it necessary that drainage by-laws should state when the debentures are payable?

The Municipal Act requires that all by-laws for contracting debts by borrowing, in order to be valid must conform to the restrictions and provisions therein laid down. If the by-law is not for the purchase of public works, which drainage by-laws cannot be said to be, it must name a day in the financial year in which the same is passed, when the by-law is to take effect, but if no such day is mentioned then the date of its passing should be named as it would take effect from that date. Then if the by-law is not for the purchase of gas-works, water-works, railways, or other public works, the whole of the debt and the debentures to be issued therefor must be made payable some time within twenty years. Thus it will be seen that time is a principal essence in the validity of a drainage by-law as well as all other money by-laws, and therefore the by-law requires to set out that fact by the dates when the debt commences to run and the dates when the debentures are payable to show that it conforms to the statute making such debts payable within the time allowed. Of course the by-law might possibly recite that certain specific sums are to be raised annually for so many years to discharge the principal and interest, and not state the dates when the debentures issued under it would be payable, the debentures themselves furnishing that information, but it would not be advisable to omit to recite the date or dates when debentures are payable, even if the clause referred to was inserted. These by-laws are intended to show on the face of them all that is necessary to be known by persons investing in the securities offered, and it is always better to make them as full and explicit as possible. Section 570 of the Municipal Act gives a form of by-law for drainage purposes from which it will be seen that the time when the debentures are payable is intended to be shown in the by-law—that is, we mean the limitation of time. We do not think it would be necessary to show the exact date when each particular debenture was payable, allowing that they were payable annually, but the limit of time should be inserted. There is some difference in the preliminaries

required in the case of drainage by-laws as compared with some other kinds of debenture by-laws, such as not requiring to be voted on by the ratepayers before being finally passed, but these differences do not affect what is required to be inserted in the by-law respecting the time when the loan is payable. There are no doubt many of our municipal clerks who have had considerable experience in the preparation of debenture by-laws, and who have consequently a good knowledge of the law relating to such matters, and we should be pleased if some of them would favor the readers of THE MISCELLANY with their explanations of this somewhat difficult subject.

PERCENTAGE ON UNPAID TAXES.

Section 53 of the Assessment Act was amended in 1888 by giving power to councils to pass by-laws to add 5 per cent to all unpaid taxes on the collector's roll after 14th December. This was done to encourage ratepayers to pay up promptly. Considerable taxes are required in December to pay off liabilities such as school moneys, and if taxpayers are dilatory in paying, it has often been found necessary to borrow money to meet these obligations rather than force payment of taxes by distress. This entailed extra expense on the municipality for interest, which those who paid promptly felt to be an injustice to them as they had a share of the interest to pay. The passage of a by-law adding 5 per cent is therefore designed not only to encourage prompt payments but to cover any extra expenses for borrowed money, as those who required delay in payment of their taxes were the rightful persons to pay for the indulgence. The amendment, however, of 1888, did not make provision to add the percentage to the taxes of non-residents. This having been an oversight no doubt, it has been amended at last session, by bringing such ratepayers into line with residents, except that non-residents require to pay their taxes on or before 1st Nov. if they wish to escape the additional impost. The difference in the time is owing to the fact that on or before the 1st of November is the time set down when the clerk has to transmit the non-resident roll to the county treasurer, and it is his duty under the by-law to add the percentage. In no case can the five per cent be added to any unpaid taxes of residents or non-residents unless the council of the municipality have passed a by-law requiring the same to be done. In the event of the non-resident roll having been forwarded to the county treasurer before the 1st November, and the non-resident taxpayer having paid to him the taxes called for, the treasurer is to deduct the 5 per cent which had been added by the clerk, for it will be noticed that the clerk adds the percentage to the non-resident's taxes in all cases. He does not require to wait until 1st November to make his return, and the county treasurer is charged with the whole amount including the percentage. It rests with the latter to make the deduction and to satisfy the auditors that such has been done. There is a weakness just here in the machinery which is calculated to cause some difficulty. This could be obviated if all local collections and tax sales were left in the hands of the local officials, as we have always believed to be the better method.