

CHAPTER 48.

TO EXEMPT FROM TAXATION THE ACCUMULATIONS AND FUNDS OF FRATERNAL BENEFICIARY ASSOCIATIONS.

S. F. 228.

AN ACT to amend section thirteen hundred and four (1304) of the code, so as to exempt from taxation the accumulations and funds of fraternal beneficiary associations.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. **Exemptions.** That section thirteen hundred and four (1304) of the code be amended by adding the following:

"8. The accumulations and funds held or possessed by fraternal beneficiary associations for the purposes of paying the benefits contemplated by section eighteen hundred and twenty-two (1822) of the code, or for the payment of the expenses of such association."

Approved April 10, A. D. 1906.

CHAPTER 49.

LIMIT OF INDEBTEDNESS OF COUNTY AND MUNICIPAL CORPORATIONS.

H. F. 119.

AN ACT to repeal section thirteen hundred and six-b (1306-b) of the supplement to the code, and chapter forty-three (43) of the acts of the 30th General Assembly, and to enact a substitute therefor relating to the limit of indebtedness of municipal corporations.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. **Repealed—amount of indebtedness limited.** That section thirteen hundred and six-b (1306-b) of the supplement to the code and chapter forty-three (43) of the acts of the 30th General Assembly be and the same are hereby repealed, and the following enacted in lieu thereof:

"No county or other political or municipal corporation, shall be allowed to become indebted in any manner or for any purpose, to an amount exceeding in the aggregate the amount of one and one-fourth per centum of the actual value of the taxable property within such county or corporation, except that cities and incorporated towns, may, for the purpose of purchasing, erecting or maintaining and operating waterworks, electric light and power plants, gas works and heating plants or of building and constructing sewers, incur an indebtedness, not exceeding in the aggregate, added to all other indebtedness, five per centum of the actual value of the taxable property within such city or incorporated town. The amount of such taxable property shall be ascertained by the last state and county tax list previous to the incurring of such indebtedness.

"SEC. 2. **Procedure to exceed limitation in cities and towns.** Provided; that before such indebtedness can be contracted in excess of one and one-quarter per centum of the actual value of the taxable property ascertained as above provided in this act, a petition signed by a majority of the qualified electors of such city or town shall be filed with the council of such city or town, asking that an election shall be called, stating the purposes for which the money is to be used and that the necessary water works, electric light and power plants, gas works, heating plants, or sewers, cannot be purchased, erected, built or furnished within the limit of one and one-quarter per centum of the valuation. And provided that in cities having a population of more than ten thousand, the petition need not be signed by more than two hundred qualified electors.