

CHAPTER 92

LOCAL BUDGET LAW

H. F. 182

AN ACT amending section three hundred seventy (370), and fifty-six hundred sixty-three (5663), relating to the making of estimates for the local tax budget and annual appropriations, in cities over 75,000 population and providing a penalty for violation thereof.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section three hundred seventy (370), of the code, 1935,
2 is amended by adding the following, after subsection one (1): "The
3 estimate of such total income other than taxation, for cities over 75,-
4 000 population, shall be computed as follows in each fund; the estimate
5 of that portion of this income which is derived from licenses, fees,
6 fines and other miscellaneous items of income other than taxes, shall
7 be no larger than the actual collection of these different items of in-
8 come, but not including transfers from other funds, during the pre-
9 ceding twelve (12) months ending June 30th. Also, to such total
10 estimate, may be added any new source of income other than taxes
11 but only after it shall actually have been authorized by the city council
12 and such estimate of this new source of income must be reasonable."

13 Further amend by adding to subsection two (2) the following: "In
14 cities over 75,000 population, the amount proposed to be raised by
15 taxation may be five and twenty-seven hundredths (5.27) per cent
16 larger than the amount proposed to be expended as provided in sub-
17 section three (3) after deducting balances from the preceding year
18 if any, and income from sources other than taxation. Nothing herein
19 shall be construed as permitting a tax levy in excess of the millage
20 rates elsewhere provided."

1 SEC. 2. That section five thousand six hundred sixty-three (5663),
2 be amended by adding the following: "17. In cities over 75,000
3 population, the city council, at the beginning of the fiscal year, shall
4 compute the amounts to be appropriated from tax funds as follows.
5 No larger amount shall be appropriated by the council for expenditure
6 during the ensuing year out of any tax fund, than ninety-five (95)
7 per cent of the amount of taxes levied in each fund including each
8 fund's pro rata share of the money's and credit's tax plus other sources
9 of income as provided in the estimate made in section three hundred
10 seventy (370), and plus actual unencumbered balances from the pre-
11 ceding fiscal year. But such total appropriation shall not exceed the
12 amount proposed to be expended in subsection three (3) of section
13 three hundred seventy (370). Nothing herein shall be construed as
14 limiting the payment of lawful charges for interest and principal on
15 bonds.

1 SEC. 3. Violation of this act shall be grounds for removal from
2 office of any councilman who votes for any city expenditure contrary
3 to the provisions of this section and such act shall be punishable as
4 a misdemeanor."

House File 182. Approved May 7, 1937.