

Initiative Measure No. 114

BALLOT TITLE

An Act relating to taxation; limiting the aggregate annual rate of levy on real and personal property for state, county, city or town, school district and road district purposes to forty mills; limiting the levy by the state to two mills to be used exclusively for the support of the University of Washington, Washington State College and the Normal Schools; limiting the levy by counties, cities and towns, school districts and road districts to certain designated maximums; excepting port districts from the operation of the act; and providing that additional levies may be made as therein provided.

An Act relating to the taxation of real and personal property and limiting the aggregate annual rate of levy thereon for state, county, municipal, school district and road district purposes to forty mills.

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

SECTION 1. Except as hereinafter provided, the aggregate of all tax levies upon real and personal property by the state, county, school district, road district, and city or town shall not in any year exceed forty mills on the dollar of assessed valuation, which assessed valuation shall be fifty per cent of the true and fair value of any such property in money; and the levy by the state shall not exceed two mills to be exclusively for the support of the University of Washington, Washington State College and the Normal Schools of the state; the levy by any county shall not exceed ten mills including the levy for the county school fund, the levy by or for any school district shall not exceed ten mills, the levy for any road district shall not exceed three mills, and the levy by any city or town shall not exceed fifteen mills: *Provided*, That nothing herein shall limit port district levies otherwise than as provided by existing law, nor limit the power of any county to levy taxes at the rate provided by law for any taxing district other than a school district or road district, where such taxing district includes less than the whole county: *Provided, further*, That the limitations imposed by this section shall not prevent the levy of additional taxes, not in excess of five mills per annum and without anticipation of delinquencies in payment of taxes, in an amount equal to the interest and principal payable in the next succeeding year on general obligation bonds, outstanding at the time of the taking effect of this act, issued by or through the agency of the state, or any county, city, town, or school district, nor the

levy of additional taxes to pay interest on or towards the reduction, at the rate provided by statute, of the principal of county, city, town, or school district warrants outstanding on December 8, 1932; but the millage limitation of this proviso with respect to general obligation bonds shall not apply to any taxing district in which a larger levy is necessary in order to prevent the impairment of the obligation of contracts: *Provided, further*, That any county, school district, road district, city or town shall have the power to levy taxes at a rate in excess of the rate specified in this act, when authorized so to do by the electors of such county, school district, road district, city or town by a three-fifths majority of those voting on the proposition at a special election, to be held in the year in which the levy is made, and not oftener than once in such year, in the manner provided by law for holding general elections, at such time as may be fixed by the body authorized to call the same, which special election may be called by the board of county commissioners, board of school directors, or council or other governing body of any city or town or road district, by giving notice thereof for two successive weeks by publication and posting in the manner provided by law for giving notices of general elections, at which special election the proposition of authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "YES," and those opposed thereto to vote "NO": *Provided*, That the total number of persons voting at such special election shall constitute forty per cent of the voters in said taxing district who voted for the office of governor at the next preceding gubernatorial election

STATE OF WASHINGTON—ss.
Filed in the office of the Secretary of State July 3, 1936.

ERNEST N. HUTCHINSON,
Secretary of State.

ARGUMENT FOR INITIATIVE MEASURE NO. 114
"THE 40-MILL TAX LIMIT LAW"

Why Another 40-Mill Initiative?

Initiative laws can be repealed or amended by the legislature after a lapse of two years; therefore, the 40-Mill Limit Law may be repealed or tampered with at the next session. It is opposed by tax spenders, visionary advocates of new schemes, grasping political job-holders with no regard for the burden of the taxpayer, and those who seek to escape paying their just share of the cost of government. The next legislature may be confronted with unusual demands for more revenue. The only way for the property taxpayer to be safe is to re-enact the 40-Mill Tax Limit Law at the November election by voting for Initiative No. 114.

Protection

Real and personal property, which is visible and cannot be moved from the state, is justly entitled to legislative protection; protection strengthens credit, stabilizes values, and encourages new industries to locate in the state. Other states have limits; Ohio has 10 mills and Michigan has 15 mills on 100% valuation. Forms of taxation come and go; however, the property tax is with us now—it should be kept within reason. Every home owner and farmer benefits from this protection.

Savings

Property tax levied	
in 1929	\$80,571,911.36
Property tax levied	
in 1935	42,726,969.79
Decrease in property	
tax	37,844,941.57
Sales, business and	
all other taxes....	16,073,688.49
Annual net savings	
under the 40-Mill	
Tax Limit Law....	21,771,253.08

The average taxpayer's bill was 35 per cent less in 1935 than in 1932 and 47 per cent less in 1935 than 1929, ranging from a reduction of 68.7 per cent in Adams County to 34.9 per cent in Ferry County. This saving has been particularly favorable to those who have been compelled to mortgage their farms or homes.

Your Saving for this year is shown by the difference between your tax receipt for 1932 (the year before the 40-Mill Tax Law went into effect) and your 1935 tax receipt on the same property and valuation.

Reduced Cost of Government

We have had the 40-Mill Tax Limit for over three years; it has reduced the cost of state, city, district and county government over 20 million dollars; schools are better financed, all well-managed, essential units of government are in good financial condition, able to maintain all needed functions and services, and we have a better distribution of the tax burden. Practically all efforts to bring about economy in government prior to the 40-Mill Limit failed. This law is a success and should be retained. To repeal it now would throw down the bars to extravagant expenditures, without regard to the taxpayer's ability to pay.

Farmers, home owners and others, working together, have obtained good results.

Let's keep up the good work and protect our property from confiscation.

Over 114,000 citizens signed the petitions for Initiative No. 114.

Remember Initiative No. 114—Look for it on the Ballot and Vote for it.

Initiative No. 114

Endorsed and supported by:
 Washington Taxpayers Association
 Washington Association of Real Estate Boards,
 Washington State Grange,
 Washington State Federation of Women's Clubs,
 Central Community Clubs of Seattle,
 Tacoma Property Owners,
 Washington Titlemen's Association,
 Washington Savings & Loan League,
 Waitsburg Commercial Club,
 Walla Walla County Taxpayers Association and others.

J. W. WHEELER, Seattle,
 W. R. ORNDORFF, Spokane,
 EDGAR ANDERSON, Tacoma