U.S. Isthmian Canal Commission

ACT NUMBER 7

(SEPTEMBER 1st.)

AN ACT TO PROVIDE FOR THE ORGANIZATION OF MUNICIPAL GOVERNMENTS IN THE CANAL ISTHMUS OF PANAMA.

PANAMA.
ISTHMIAN CANAL COMMISSION PRESS.-01.
1904.

(ACT NUMBER 7)

An Act to provide for the organization of Municipal Governments in the Canal Zone, Isthmus of Panama.

By Authority of the President of the United States, be it enacted by the Isthmian Canal Commission:

MUNICIPALITIES.

Section 1. *Districts as municipal corporations.* The municipal districts of the Canal Zone, Isthmus of Panama, shall be recognized as municipal corporations with the same boundaries as now existing *de jure* or *de facto*, as shown by the official map on file in the office of the Governor of the Canal Zone, upon organization under the provisions of this Act.

Section 2. *Municipalities—names and right of.* Municipalities incorporated under this Act shall be designated as municipalities and shall be know by the names heretofore adopted; to wit: Ancon, Emperador, Gorgona, Buenavista, Gatun and Cristobal. Under such names, respectively, they may sue and be sued, contract and be contracted with, acquire, hold and convey real and personal, fixed and movable property, and exercise any and all powers conferred upon and possessed by them.

Section 3. *Vested rights of property.* All property and property rights and rights of action possessed by any municipal district or subdivision thereof under its former organization, shall continue to be vested in the municipality or subdivision thereof after its incorporation under this Act. The properties owned by municipalities shall enjoy the same guaranties as the property of individuals, and shall not be liable to taxation.

Section 4. *Officers.* The government of each municipality established under this Act shall be administered by a Mayor, a Municipal Council of five members, Municipal Secretary and Municipal Treasurer, each and all of whom shall be appointed and their salaries fixed by the Governor of the Canal Zone, subject to approval by the Commission. The term of office of the Mayor, Secretary and Treasurer, first appointed under this Act shall be for the period of time between the date of their appointment and the first Monday in January, A. D., 1906: thereafter the term of office of said municipal officers shall be two years or until their successors are appointed and qualified. Of the members of the Municipal Council first appointed under this Act, two shall be appointed for the term expiring the first Monday in January, A. D., 1906, three for a term expiring the first Monday in January, A. D., 1907, thereafter the term of office of the members of the municipal council shall be for two years or until their successors are elected and qualified. Any officer of a municipality or a member of a Municipal Council may be removed from office by the Governor of the Zone. Appointments to fill vacancies shall be for the unexpired term.

Section 5. *Qualifications of officers.* A Municipal officer shall have the following qualifications: He shall be twenty-five or more years of age, and shall have a legal residence in the municipality. He shall be able to intelligently speak, read and write the Spanish or English language.

Section 6. *Persons disqualified.* In no case shall there be appointed to a municipal office, an ecclesiastic,

a soldier or marine in active service, a person engaged in remunerative employment by the government of the Canal Zone or by the Isthmian Canal Commission, or a contractor for public works for the municipality, or any person who has been convicted of a felony in the courts of the Canal Zone, or the Republic of Panama.

Section 7. *Oath of Municipal officers.* Every person appointed to a municipal office under the provisions of this Act, shall before entering upon the duties of his office, take and subscribe the following oath and file the same in the office of the Municipal Secretary:

OATH OF OFFICE.

"I,....., having been appointed as..... of the municipality of....., do solemnly swear (or affirm) that I have the prescribed qualifications to hold office in said municipality; that I recognize and accept the supreme authority of the United States therein and thereover and will maintain true faith and allegiance thereto; that I will obey the laws, legal orders, rules and regulations promulgated by its duly constituted authorities; that I impose upon myself this obligation voluntarily, without mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office upon wich I am about to enter, So help me God. (Last four words to be stricken out in case of affirmation.)

(Signature.).....

"Subscribed and sworn to (or affirmed) before me this.....day of....., 190..."

....."

Section 8. *Official bonds.* Every municipal officer charged with the custody of municipal funds,

shall execute a bond to the Municipality with two or more sureties, the amount of which bond and the sufficiency of the sureties shall be approved by the Mayor by written endorsement thereon and by the Municipal Council by vote duly recorded. Any Surety Company approved by the Isthmian Canal Commission may be accepted in lieu of the two or more sureties above required. A copy of the bond and approval shall be spread upon the record of the proceedings of the Municipal Council. The bond shall be fixed at a penal sum not less than one-half of the amount of the aggregata sum of the revenues which will probably come into tho hands of the official during any one year of his incumbancy and shall be conditioned upon the faithful performance of the duties of the office and the payment and accounting as required by law of all moneys received by such officer for and in behalf of the Municipality. The bond shall be filed in the office of the Municipal Secretary, who shall carefully preserve the same, and should suit be brought on said bond, it shall not be a defense to the signers and sureties on said bond that the above requirements for approval were not complied with, if in fact, by virtue of said bond, the municipal officer entered upon the discharge of the duties of his office.

THE MAYOR.

Section 9. *Mayor duties of.* The Mayor shall be the Chief Executive of the Municipality.

(*a.*) He shall cause the laws in force throughout the Canal Zone, Isthmus of Panama, the decrees, orders, rules and regulations adopted and promulgated by competent authority and the ordinances of the municipality to be executed.

(*b.*) He shall supervise the performance of official duties by all subordinates and inspect and examine the books, records, and papers of each officer of the Municipality or agent employed by it.

(*c.*) He shall draw and sign the orders upon the Municipal Treasurer for the legitimate disbursemente authorized by the Council.

(*d.*) He shall preside at the Municipal Council and shall sign its journal; but he shall not be entitled to vote except in the case of a tie, when he shall give the deciding vote.

(*e.*) He shall approve ordinances adopted by the Municipal Council, unless he shall consider them prejudicial to the public welfare or repugnant to superior law, in wich event he shall veto them; but the Council may pass said ordinance over the veto of the Mayor by an affirmative vote of four of its members, in which case it shall be valid without the signature of the Mayor. If the Mayor shall not either approve or veto an ordinance within five days of its adoption it shall become a law.

(*f.*) He shall recommend to the Municipal Council such measures connected with the public health, cleanliness or ornamentation of the Municipality, or the improvement of its finances, as he shall deem expedient.

(*g.*) He shall issue orders respecting the public peace and safety, and for the purpose of avoiding damage from conflagrations, floods, and the effects of storms and other public calamities.

(*h.*) He shall in the month of December of each year, prepare and make out in duplicate an annual report, setting forth the important events which have occurred in the municipality during the current year. One copy or the said report shall be filed in the office of the Municipal Secretary and the other shall be submitted to the Municipal Council and thereafter forwarded to the Governor of the Canal Zone, Isthmus of Panama, on or before the fifteenth day of the following January.

(*i.*) He shall take care that the Municipal Council meet at the proper time and place and complies with the duties required of it; and shall call special sessions of the Council when rendered necessary by some grave and urgent occurrence.

(*j.*) He shall give to the Municipal Council the reports and data required by it for the proper performance of its duties.

(*k.*) He shall present to the Municipal Council the drafts of resolutions which that body may consider necessary for the proper administration of the Municipality, and especially the drafts of budgets of revenues and expenses at the proper times.

(*l.*) He shall regulate the expenses and expenditures of the Municipality in accordance with the budget and accounting regulations.

(*m.*) He shall take care that the archives and offices of the municipal officers are kept in proper order, condition and arrangement.

Section 10. The office of the mayor shall be located at the seat of Government of the Municipality.

Section 11. The salary of the Mayor of each Municipality shall be fixed by the Governor of the Canal Zone, and stated in the appointment. Such salary shall be payable monthly.

THE MUNICIPAL SECRETARY.

Section 12. *Municipal Secretary, duties of.* The Municipal Secretary shall be the clerk of the municipal council.

(*a.*) He shall attend the meetings of the Council, keep a journal of its proceedings and prepare and preserve the record of all acts of the Municipality.

(*b.*) He shall countersign and certify to the correctness of all accounts ordered by the Council to be paid by the municipal tressurer.

(*c.*) He shall keep his office in the building where the Municipal Council meets, or at some place of convenient access thereto, as the Council shall direct.

(*d.*) He shall keep a civil register for the Municipality and record therein all births, marriages and and deaths, with their respective dates. In case of marriages he shall further record the previous residence of the contracting parties, the name of the person solemnizing the marriage and the names of the witnesses. In case of deaths, the cause of death, when known, shall be recorded. Physicians and midwives residing or practicing their professions within the

limits of the municipality shall forthwith forward to the municipal secretary notification of every birth or death that occurs under his or her professional observation, together with the necessary information for making the proper entry in the civil register. Every person who is authorized by law to celebrate marriages, shall forthwith forward to the Municipal Secretary notification of every marriage which he celebrates within the municipality, together with the necessary data for properly recording said marriage in the civil register. All entries in the civil register shall be made by the Municipal Secretary free of charge.

(*e.*) He shall issue, upon demand of any person, a certified copy of any record under his control, and shall be authorized to charge and receive a fee which shall not exceed, for both the writing and certificate, ten cents per one hundred words. The records shall during usual business hours be open to inspection, free of charge by all residents of the Canal Zone and officers of the Government of the Canal Zone.

(*f.*) He shall perform such other duties appurtenant to his office as the municipal council may provide by ordinance, or the Government of the Canal Zone may order or direct.

Section 13. The salary of the Secretary of each Municipality shall be fixed by the Governor of the Canal Zone, and stated in the appointment. Such salary shall be payable monthly.

THE MUNICIPAL TREASURER.

Section 14. *Duties of.* The Municipal Treasurer shall receive, safeguard, disburse and account for all money paid to the municipality from any source.

(*a.*) He shall give to every person paying money to the municipal treasury a receipt therefor, specifying the amount, date of payment and upon what account the payment is made,

(*b.*) He shall keep a detailed account of all moneys received and shall pay out the same only under authority of an order or resolution of the

Council and upon an order signed by the Mayor and countersigned by the municipal secretary.

(*c.*) He shall on or before the third day of each month, make out in triplicate a full and complete statement of the receipts and expenditures of the preceding month, together with a statement of the cash actually on hand in the municipal treasury. He shall deliver two copies to the Mayor, who shall verify them and certify upon the face of each to the correctness thereof and shall then immediately cause one copy to be posted at the main entrance to the municipal building and send the other to the Governor of the Canal Zone.

(*d.*) He shall pay all lawful orders in the order in which they are presented, and he shall note on the back of each the date of such presentation and keep a record thereof, and, when payment is made, the date of such payment: *Provided*, That he shall not pay any order when there is not in the treasury a sufficient amount to meet orders previously presented and not paid for want of funds.

(*e.*) He shall have his office in the municipal building and shall keep in the municipal safe or strong box, which it shall be the duty of the municipal council to provide, all moneys belonging to the municipality; which said moneys shall be kept separate and distinct from the personal and private moneys of the treasurer. He shall not be permitted to make profit out of the public money, nor to lend or otherwise use it, nor to use said money in any way or method not authorized by law. A municipal treasurer violating the foregoing restriction shall be dismissed from office, if such violation shall be established to the satisfaction of the Governor of the Canal Zone. Such violation shall be considered a malversation of funds and punished accordingly. The municipal treasurer may, to prevent the accumulation of too large an amount of money in the safe of the municipality, when especially authorized by resolution of the Municipal Council, deposit for safe-keeping with the Treasurer of the Canal Zone such sums of money as he will not be

obliged to use in the immediate future, taking a receipt therefor from the Treasurer of the Canal Zone. He shall exhibit this receipt to the municipal council at its first meeting subsequent to the date of deposit and the municipal secretary shall record the fact of such exhibition and the date and amount of the receipt.

(*f.*) He shall be the custodian of all municipal property and shall keep a record thereof in a book suitable for that purpose.

(*g*) The salary of the Treasurer of each Municipality shall be fixed by the Governor of the Canal Zone, and stated in the appointment. Such salary shall be payable monthly.

Section 15. (*Incapacity.*) Should any duly appointed municipal officer, become permanently incapacitated for the proper discharge of his duties during his term of office, through accident, disease or removal of residence, the fact of such incapacity and reason thereof shall be declared by the vote of a majority of the municipal council and certified by the Mayor and Municipal Secretary to the Governor of the Canal Zone, who shall thereupon declare said office vacant and appoint an incumbent for the unexpired term.

Section 16. (*Property, turning over.*) Every officer of the municipality shall, at the expiration of his term, deliver to his successor in office, who shall receipt for the same in duplicate, all money, property, books, and effects of every description in his possession belonging to the municipality or pertaining to his office. One copy of the receipt shall be delivered to the retiring officer and the other shall be filed with the municipal treasurer. Upon the refusal of the retiring officer to comply with this provision, he shall be liable for all damages caused thereby and such penalty as may be provided by law.

Section 17. (*Interest in contract forbidden*). No Municipal officer shall be directly or indirectly interested in any contract, work, or business of the municipality, or in the purchase of any real estate or other property sold by the municipality. Any officer violating the provisions of this section shall be removed

(*h.*) Establish or authorize the establishment of slaughter houses and markets, and inspect and regulate the use of same.

(*i.*) Provide for the inspection of weights and measures used by venders and purchasers

(*j.*) Establish and maintain schools and erect school houses.

(*k.*) Establish, maintain and regulate municipal prisons.

(*l.*) Purchase, receive, hold, lease, sell, convey and dispose of property, real and personal, movable and immovable, for the benefit of the municipality; *Provided*, That the express authorization of the Governor of the Canal Zone shall be necessary before commencing proceedings to alienate or create a lien on any real or immovable property belonging to the municipality.

(*m.*) Employ a lawyer or lawyers when necessary to defend the interests of the municipality; but ordinary legal questions shall be submitted to the Prosecuting Attorney of the Canal Zone or the Deputy Prosecuting Attorney for the Judicial Circuit in which the municipality is situated, who shall answer the same in writing without charge.

(*n.*) Erect all buildings needful for the use of the municipality, and establish municipal cemeteries.

(*o.*) Provide for and regulate the inspection of meat, fruits, poultry, fish, milk, vegetables and all other articles of food,

(*p.*) Provide against the evils of gambling houses and disorderly houses of whatever sort.

(*q.*) Provide for the closing of opium joints and prohibit and punish the keeping or visiting of any place where opium is smoked or sold for the purpose of smoking,

(*r.*) Provide for the punishment of mendicants, common prostitutes or habitual disturbers of the peace,

(*s.*) Prohibit and punish intoxication, fighting and all disorderly conduct.

(*t.*) Provide for the arrest, trial, fining and putting to work on the streets or elsewhere of vagrants or persons found within the limits of the municipality without legitimate business or visible means of support.

(*u.*) Restrain riots, disturbances or disorderly assemblages,

(*v.*) Regulate or prohibit the running at large of domestic animals; and prohibit cruelty to animals and provide punishment therefor.

(*w.*) Fix the penalties for violation of ordinances, but no single penalty shall exceed a fine of twenty-five dollars or imprisonment for thirty days, or both; imprisonment shall be imposed in lieu of unpaid fines at the rate of one day's imprisonment for each dollar of the fine, An appeal shall lie to the Circuit Court, next to be held within the Judicial Circuit wherein the municipality is situate, from a judgment imposing a fine exceeding three dollars or an imprisonment exceeding three days; and it shall be the duty of the Prosecuting Attorney of the Canal Zone, by himself or deputy, to appear, and prosecute cases so appealed. Pending the decision on appeal, the defendant shall remain in custody unless released upon sufficient bail.

(*x.*) Provide by ordinance for the levy of taxes for municipal purposes; and for the license and regulation of the selling, giving away or disposing in any way of intoxicating, malt, spirituous, vinous, mixed or fermented liquor, at retail, in quantites of not more than five gallons, and determine the amount to be paid for such licenses, and the length of time they are to run, subject to such limitations of general law as now exist or may hereafter be enacted.

(*y.*) Provide by ordinance for the license, tax, regulation or prohibition of the keeping of dogs and to authorize the killing of dogs when at large contrary to the municipal ordinances; also provide by ordinance for the licence, tax, or prohibition of cock fighting and the keeping or training of fighting cocks, and license, tax, or close cock-pits; also provide by ordinance for the license or tax of public carriages, cabs, carts, drays, stages, hearses and conveyances kept for hire; cafes, restaurants, cantinas, hotels, inns, and lodging houses, peddlers, hucksters, auctioneers and auction sales, bil-

training of fighting cocks: for public carriages, cabs, carts, drays, stages, hearses and conveyances kept for hire; and for boats or canoes over eighteen feet long, for cafes, restaurants, cantinas, hotels, inns and lodging houses; and for billiard tables, public entertainments charging an admission fee, horse races, merry-go-rounds and like amusements tendered the public for which a fee is charged.

Fourth: Municipal fines.

Section 29. *Taxes prohibited.* It shall not be in the power of the Municipal Council to impose a tax in any form whatever upon goods and merchandise brought into the municipality or carried out of same, and any attempt to impose an import or export tax upon goods in the guise of charge for wharfage, use of bridges, streets, highways or otherwise, shall be void.

Section 30. *Fixing and charging taxes.* All taxes, licenses and fees imposed by the council shall be fixed by ordinance and may be changed from year to year, as the council may deem proper.

Section 31. *Statement by Treasurer.* The Municipal Treasurer during the first fifteen days of January of each year, shall prepare in duplicate itemized statements of the income and disbursements of the preceding calendar year, one copy of which shall be transmitted to the Governor of the Canal Zone and the other to the Municipal Council. He shall exhibit to the Council his books and receipts, together with the stubs of the receipts issued by him. The Council shall carefully audit these accounts, comparing the statement of income with the duplicate receipts and the statement of the disbursements with the vouchers and receipts. If the amounts are found to be correct, they shall be attested by the members of the Council, and should any member not be in favor of approving them or any item thereof, he will endorse his disapproval in writing thereon, specifying the items objected to and the reasons for his objection. A certified copy of the statement, with the signatures thereto, and the endorsements thereon, shall be forthwith forwarded to the Governor of the Canal

Zone, who, if he thinks that judicial proceedings should be begun against either the Municipal Treasurer or the Council or any member thereof, or other officer of the municipality, for the unlawful expenditure of money belonging to the municipality, shall, on behalf of the municipality, through the prosecuting attorney of the Canal Zone, institute proceedings to recover the amount so unlawfully expended.

Section 32. *Report by Council.* During the month of January of each year the Council shall prepare in duplicate a report giving:

(*a.*) An inventory of all buildings, lands, and other property real and personal, movable and immovable, belonging to the Municipality.

(*b.*) An itemized estimate of the revenues of the municipality from all sources during the current year, with the statement opposite each item of the amount realized from that source during the last preceding year.

(*c.*) An itemized estimate of the ordinary expenses of the municipality for the current year, with the statement opposite each item of the corrresponding expenses for the last preceeding year. The estimated ordinary expenses shall not exceed the estimated resources. This estimate shall include a statement of all outstanding indebtedness, if such exists.

(*d.*) An estimate of such extraordinary expenditures, if any, as may be required through unusual necessity or to make permanent improvements. Such estimate shall state the approximate total expenditures by reason of such necessity or improvement, the amount of which it is expected to expend during the first year and the source or sources from which it is proposed to secure the necessary funds; also an itemized statement of extraordinary expenditures for the last proceding calendar year.

(*e.*) Such report when completed, and approved by the Council, shall be attested by its Mayor, Municipal Secretary and Municipal Treasurer, and shall be forwarded in duplicate to the Governor of the Canal Zone for his action. If the Governor shall, upon

examination and consideration, find that the taxes levied will produce the estimated revenues and that the actual expenditures provided for in the report will not exceed in the aggregate the estimates thereof, and shall approve of said taxes and expenditures, he shall endorse such approval on said report and forward one copy of the report so endorsed to the Mayor of the municipality who shall deliver it without delay to the Municipal Treasurer. If after the municipal Treasurer shall have begun the collection of taxes, he finds that the amount to be actually collected falls short of the estimate, he shall certify this fact to the Council and to the Governor of the Canal Zone, with a statement of the probable shortage, and it shall be the duty of the Council to reduce its subsequent expenditures so as to bring the aggregate within the available income as reported by the Treasurer.

(*f.*) Expenses not provided in the annual estimate can only be incurred and paid upon authorization by the Governor of the Canal Zone, at the request of the Municipal Council.

Section 33. (*Farming out of taxes prohibited.*) Taxes, imposts, license fees, and all other revenues of the municipality shall not be sold, leased or farmed out by the Municipal Council, but shall be collected by the Municipal Treasurer.

ASSESSMENT.

Section 34. (*Real estate.*) The real estate of the municipality shall be valued and assessed for taxation by a board, to consist of the Mayor, the Municipal Treasurer, and a third party designated by the Governor of the Canal Zone, which board shall be known as the Municipal Board of Assessors. The Mayor shall be president of the Board and the Municipal Secretary shall be its secretary. The place of Meeting of the Board, except when in viewing land to be valued, shall be the office of the Municipal Secretary. All questions presented to the Board for its consideration, shall be decided by a majority vote.

Section 35. (*Oath.*) Before entering upon their duties, and the organization of the Board, the members shall take and subscribe to an oath before the municipal judge in the following words:

"I. ....., do solemnly swear (or affirm) that I will appraise all the real property subject to taxation in the municipality of ....., so far as required by law, at its true value in money, and will set the same in the tax list of said municipality at its true value in money, and will faithfully discharge all the duties imposed upon me by law, so help me God. (The last four words to be omitted in case of affirmation)

(Signature of assessor.)

'Subscribed and sworn to before me, this.....
...day of....., 190..

(Signature of municipal judge.)"

Such oath when subscribed shall be filed with the Municipal Secretary who shall inscribe the entire oath and certificate upon the records of the Board.

Section 36. (*Lists prepared by owners.*) It shall be the duty of every owner of real estate in the municipality to prepare or cause to be prepared, on blanks furnished him, a statement of the amount of land and improvements thereon which he owns within the municipality and a description sufficient in detail to enable the Board of Assessors to identify the same upon examination. He shall subscribe to the statement and verify the same on oath before the Municipal Secretary who is hereby authorized to administer such oaths. The statement shall be filed with the Secretary of the Board of Assessors within fourteen days after the organization of the Board.

Section 37. (*Meetings of Board of Assessors.*) On the first day of November, 1904, and in subsequent years on the first day of September, the Board of Assessors shall meet, take the oath of office and organize and shall proceed to make a list of all the

taxable real estate in the municipality. The names of the owners of such real estate shall be arranged alphabetically, with a brief description opposite their names of the property owned by them. In making this list the Board of Assessors shall take into consideration the sworn statements by the owners of the property hereinbefore required to be filed, but shall not be prevented thereby from considering other evidence as to value and extent. For the purpose of completing this list, the board is authorized to summon witnesses, administer oaths to them and subject them to examination concerning the ownership, amount and value of real estate subject to taxation. The oath shall be administered to such witnesses by the municipal secretary.

Section 38. (*Unknown Owners.*) If the Board of Assessors shall find parcels of land within the municipality subject to taxation the owner or owners of which cannot be discovered after a reasonable investigation, it shall be the duty of the Board to list said parcels of land for taxation, charging the taxes as against an unknown owner, and describing the premises with sufficient accuracy to identify the same.

Section 39. (*Assessing.*) After having completed the list, the Board shall proceed to assess the value of each separate parcel of real estate, and the improvements thereon, if any, at their true value in money; and, where it shall appear that there are separate owners of the land and of the improvements, a separate assessment of the property of each shall be made. The value so fixed shall be placed upon the tax list opposite the names of the owners and the description of the property taxed.

Section 40. (*Property not listed.*) If it shall be discovered by the Board or brought to their attention, or to the attention of any member thereof, that any taxable real estate within the municipality has not been listed, it shall be the duty of the Board at once to re-assemble and to list and value the same and charge against the owners thereof the taxes due for the current year and for all other years since the original

assessment under this Act was made by the Board, and the taxes thus assessed shall be legal and collectible by all the remedies therein provided, and penalties, and interest shall be added to the back taxes as if the same had been assessed at the time when they should have been assessed.

Section 41. (*Completion of listing.*) The Board of Assessors shall complete their listing and valuation of real property situated within the municipality on or before December 31st, and, when completed, shall authenticate the same by signing the following certificate at the foot of the list:

"We hereby certify that the foregoing list contains a true statement of the aggregate amount and value of the taxable real estate belonging to each person named in the list, according to the best of our knowledge and belief".

Section 42. (*Filing lists.*) When the list shall be completed, in accordance with the foregoing section, it shall be filed in the office of the Secretary of the Board, and the Board of Assessment shall, by notice posted at the main entrance of the municipal building and by notice posted in not less than five public and conspicuous places in said municipality, inform the public that the list has been completed and is on file in the office of the Secretary of the Board and may be examined by any person interested therein, and that, upon a day, at least ten days after the posting of said notice, the board will be in session for the purpose of hearing complaints as to the accuracy of the listing of the property and the proper valuation thereof. After such notices have been posted, the Secretary shall certify to the fact of posting upon the record, which shall be deemed *prima facie* evidence of the fact. At the day fixed in the posted notice the board shall meet and hear all complaints then or theretofore filed by persons against whom taxes have been assessed as owners of the real estate, and shall make a decision on such complaint and enter such decisions on its minutes; and, if the board shall determine that injustice has been

done or errors have been committed, it shall amend the list in accordance with its findings.

Section 43. (*Appeal.*) In case any complainant before the Board of Assessors shall feel agrieved by its decision, he may, within ten days after the entry of the decision of the board upon the minutes appeal to a board of tax appeals hereinafter provided for. He shall perfect his appeal by filing a written notice of the same with the board of assessors and it shall be the duty of the Secretary of said board forthwith to transmit the appeal to the board of tax appeals, with all written documentary evidence in the possession of the board relating to said assessment and valuation.

Section 44. (*Board of Tax Appeals*) The Board of Tax Appeals shall consist of the Mayors of the several municipalities of the Canal Zone, and shall assemble upon call by the Governor of the Canal Zone, and at a time and place to be fixed by him, they shall elect one of their number Chairman of the board and one Secretary of the board who shall keep the record of the proceedings

Section 45. (*Oath.*) After the election of a Chairman and Secretary, and before proceeding with further business the members of the board of tax appeals shall take the following oath before any officer authorized to administer an oath:

"I, ..., solemnly swear (or affirm) that I will well and truly hear and determine all matters in issue between the property owners and the municipal board of assessors submitted for my decision, so help me God. (In case of affirmation the last four words are to be stricken out.)

"(Signature of the member of board.)"

"Subscribed and sworn to (or affirmed) before me this.....day of.....190..

"(Signature of officer administering oath.)"

The oath of each member shall be recorded by the Secretary of the board in the minutes of its proceedings.

Section 46. (*Hearing appeals.*) The Board of Tax Appeals shall hear and determine all appeals duly submitted to them They shall have authority to cause to be amended the listing and valuation of the property in respect to which the complaint is made, by order signed by the board, or a majority thereof, and transmitted to the municipal board of assessors, which shall amend the tax list in conformity with said order.

Section 47. (*Quorum.*) Attendance upon the meetings of the Board of Tax Appeals shall be compulsory upon the members, unless excused therefrom by the Governor of the Canal Zone; in the event of the absence of one or more of the members, the Governor shall designate a person to sit in place of and discharge the duties of such absentee, so that the board shall at all times be composed of not less than six members. In case of a tie vote on any appeal, the question shall be decided in favor of those voting contrary to the vote cast by the Mayor of the Municipality from which the appeal came.

Section 48. (*Salaries.*) The members of the board of appeals shall receive as compensation for their services on such board the sum of five dollars per day and actual and necessary traveling expenses, to be paid out of the Municipal Treasury of the Municipality to which the member is accredited.

Section 49. (*Prepayment of privilege taxes.*) All licenses and privilege taxes shall be paid before the licensee or tax-payer shall begin the business or enjoyment of the privilege for which the license or tax is imposed.

All licenses and privilege taxes shall terminate on the thirtieth day of June of each year, and anyone beginning a business or exercising a privilege upon which an annual tax is levied by the Council after the thirtieth of June shall be required before beginning such business or exercising such privilege, to pay the license or tax for the part of the year which remains, to and including the thirthieth day of June following.

In addition to the tax or license, penalty shall be imposed amounting to twenty per centum of the origi-

nal tax or license to be collected and accounted for by the Municipal Treasurer in the same manner as the original tax or license, for a failure to pay tax or license when due.

Section 50. (*Record of tax payers published*) It shall be the duty of the Municipal Treasurer to keep a record, open to public inspection, of the names of all persons paying licenses or privilege taxes, arranged alphabetically.

Section 51. (*List of tax payers to Municipal Treasurer.*) Within ten days after the passage of an ordinance by the Council, requiring the payment of licenses or privilege taxes, the Mayor and Municipal Treasurer shall prepare a list of the names of the persons whose business if continued, would render them liable to the payment of a license fee or tax, and they shall transmit such list at once to the Municipal Treasurer.

Section 52. (*Conducting business without license.*) The Council shall provide by ordinance that any person conducting a business or enjoying a privilege without paying the tax or license fee required by law, shall be punished by fine and imprisonment, or both, upon trial and conviction by a court of competent jurisdiction.

Section 53. (*Payment of taxes.*) Annual taxes due the Municipality shall be due and payable at the office of the Municipal Treasurer on the first day of June of each year. The Municipal Treasurer shall be in his office prepared to receive and receipt for said taxes on every day except Sundays and legal holidays during the usual business hours during the month of June of each year. A failure to pay the taxes due within the period thus specified shall subject the delinquent tax payer to the penalty of an additional tax of ten per centum of the amount of the original tax. The penalty shall be accounted for by the Municipal Treasurer in the same manner as the tax.

Section 54. (*Delinquents.*) Taxes shall become delinquent at the close of business hours of the 30th day of June of each year; fifteen days after the tax has

become delinquent, the Municipal Treasurer shall prepare and sign a certified copy of the records of his office, showing the persons delinquent in the payment of their taxes, and the amount of tax and penalty respectively due from them. He shall proceed at once to seize the personal property of each delinquent, and unless redeemed as hereinbefore provided, to sell at public auction either at the main entrance of the municipal building or at the place where such property is seized, as the Municipal Treasurer shall determine, so much of the property so seized as shall satisfy the tax, penalty and costs of seizure and sale, to the highest bidder for cash, after due advertisement by notice posted for ten days at the main entrance of the municipal building and at five public and conspicious places in the municipality, stating the time, place and cause of sale, and a description of the property to be offered for sale. The certified copy of the Municipal Treasurer's record of delinquents attested by the Mayor and the Municipal Secretary shall be his warrant for his proceedings, and the purchaser at such sale shall acquire an indefeasible title to the property sold. Within three days after the sale, the Municipal Treasurer or his deputy shall make return of his proceedings in said matter and spread it upon his records, which shall also be attested by the Municipal Secretary. Any surplus resulting from the sale, over and above the tax, penalty and costs, shall be returned to the tax payer on account of whose delinquency the sale has been made.

Section 55. (*Redemption.*) The owner of the personal property seized may redeem the same from the Municipal Treasurer at any time after seizure and before sale by tendering him the amount of the tax, the penalty and the costs incurred up to the time of the tender The costs to be charged in making such seizure and sale shall only embrace the actual expense of seizure and preservation of the property pending the sale, and no charge shall be imposed for the services of the collecting officer.

Section 56. (*Lien for taxes.*) Taxes and penalties

assessed against real estate and immovable property shall constitute a lien thereon, which lien shall be superior to all other liens, mortgages or incumbrances of any kind whatsoever; shall be enforceable against the property whether in the possession of the delinquent or any subsequent owner, and can be removed only by the payment of the tax and penalty with interest on both at the rate of six per cent per annum from the date of delinquency.

Section 57 (*Insufficient personal property.*) In the event that the Municipal Treasurer shall be unable to find sufficient personal property of the delinquent out of which to collect all the taxes assessed against the delinquent, upon his real estate or immovable property, due to the Municipality, or, if the delinquent be unknown, the Municipal Treasurer shall upon the warrants of the certified record provided for hereinbefore and within twenty days after the delinquency, advertise the real estate of the delinquent against which said tax is levied for sale, or so much thereof as may be necessary to satisfy all public taxes against said property and costs of sale, which said advertisement shall continue for a period of thirty days. The advertisement shall be by posting a notice of such sale at the main entrance of the Municipal building and in five other and conspicuous places in the municipality wherein the real estate or immovable property is situated, and by publication once a week for three weeks in a newspaper of general circulation in said municipality, if any there be. The advertisement and notice shall contain a statement of taxes and penalties due on said property and the time and place of sale, the name of the tax payer against whom the taxes are levied and a short description of the land to be sold. At any time before the day fixed for the sale the tax payer may discontinue all proceedings by paying the tax, penalties, interest and costs, incurred after the time of payment to the Municipal Treasurer. If he does not do so, this sale shall proceed and shall be held either at the main entrance of the Municipal building or on the premises to be sold, as the Municipal

Treasurer may determine and set forth in said notice of sale. Within five days after the sale, the Municipal Treasurer shall make return of the proceedings and spread it on his record, which shall be attested by the Municipal Secretary. The purchaser at the sale shall receive a certificate from the Municipal Treasurer showing the proceedings of the sale, describing the property sold, stating the name of the purchaser and setting out the exact amount of all public taxes, penalties and interest for which the property was sold.

Section 58. (*Redemption from sale.*) Within one year from the date of sale, the delinquent tax payer or anyone for him shall have the right of paying to the Municipal Treasurer the amount of the public taxes, penalties and interest thereon, from the date of delinquency to the date of sale, together with interest on said purchase price at the rate of fifteen per centum per annum from the date of the sale to the date of redemption; and such payment shall entitle the person making same to the certificate issued to the purchaser at said sale and the certificate from the Municipal Treasurer that said real estate and immovable property has been redeemed, and the Municipal Treasurer shall forthwith pay over to the purchaser at said sale the amount of money paid for such redemption, and the real estate and immovable property thereafter shall be free from the lien of such taxes and penalties.

Section 59. (*Non-redemption.*) In case the tax payer shall not redeem the land sold as above provided within one year from the date of sale, the Municipal Treasurer shall, as grantor, execute a deed in form and effect sufficient under the laws in force in the Canal Zone, Isthmus of Panama, to convey to the purchaser so much of the real estate and immovable property against which the taxes have been assessed as has been sold, free from all liens of any kind whatsoever, and the deed shall succinctly recite all the proceedings upon which the validity of the sale depends.

Section 60. (*Forfeiture of property.*) In case there is no bidder at the public sale of such real estate

and immovable property who offers a sum sufficient to pay the taxes, penalties and costs, the Municipal Treasurer shall declare the land forfeited to the municipality and shall make, within three days thereafter, a return of his proceedings and the forfeiture, which shall be spread upon the records of his office and attested by the Municipal Secretary.

Section 61. (*Forfeiture—absolute.*) Within one year from the date of such offer for sale and forfeiture thus declared, the tax payer, or anyone for him, may redeem said land as hereinbefore provided in cases where the land is sold. But if the land is not thus redeemed within one year, the forfeiture shall become absolute and the Municipal Treasurer shall execute a deed similar in form and having the same effect as a deed required to be made by him in case of the sale, conveying the land to the municipality, and shall enter the property so conveyed upon his record of the property belonging to the municipality.

Section 62. (*Enforcing collection.*) The assessment of a tax shall constitute a lawful indebtedness from the tax payer to the municipality which may be enforced by civil action in the circuit court of the judicial circuit in which the municipality is situated, and this remedy shall be in addition to all the other remedies provided by this Act.

Section 63. (*Restrictions on Courts.*) No court shall entertain any suit assailing the validity of a tax assessed under this Act until the tax payer shall have paid under protest the taxes assessed against him, nor shall any court declare any tax invalid by reason of irregularities or informalities in the proceedings of the officers charged with the assessment or collection of the taxes, or of a failure to perform their duties within the time therein specified for their performance, unless such irregularities, informalities or failures shall have impaired the substantial rights of the tax payer; nor shall any court declare any tax assessed under the provisions of this Act invalid except upon condition that the tax payer shall pay the just amount of his tax, as determined by the court in the pending proceedings.

Section 64. (*Assailing validity of sale.*) No court shall entertain any suit assailing the validity of a tax sale of real estate or immovable property under this Act, until the tax payer shall have paid into court the amount for which the real estate or immovable property was sold, together with interest at the rate of fifteen per centum per annum upon that sum from the date of the sale to the time of instituting the suit. The money so paid into court shall belong to the purchaser at the tax sale, if the deed is declared invalid, and shall be returned to the depositor should he fail in his action.

Section 65. (*Effect of irregularities.*) No court shall declare any such sale invalid by reason of any irregularity or informality in the proceedings of the officer charged with the duty of making the sale or by reason of failure by him to perform his duties within the time herein specified for their performance, unless such irregularities or informalities or failures shall have impaired the substantial rights of the tax payer.

Section 66. (*Wilful omission of property.*) Any officer charged with the duty of assessing real estate or immovable property who shall wilfully omit from the tax list real estate or immovable property which he knows to be lawfully taxable, shall be guilty of a misdemeanor and punishable by a fine not exceeding five hundred dollars or imprisonment not exceeding two years, or both, at the discretion of the court. The Circuit Court of the judicial circuit in which the municipality is situated shall have power and jurisdiction to hear and determine cases arising by reason of violation of the provisions of this section and to inflict the penalty therein provided.

Section 67. (*License, etc., omissions.*) Any officer charged with the duty of listing or collecting any license or privilege taxes, who shall wilfully omit to list or collect the same or any part thereof, shall be guilty of a misdemeanor and subject to the penalties provided in the preceding section. The circuit court of the judicial circuit in which the municipality is situated shall have power and jurisdiction to hear and

determine cases arising by reason of violations of the provisions of this section and to inflict the penalty herein provided.

Section 68. (*Bribes, acceptance of.*) Any officer charged with any duty in connection with the assessment or collection of taxes, who shall accept a bribe to influence his official action therein shall be guilty of a misdemeanor and subject to the penalties provided in Section 66 of this Act. Any person offering a bribe to an officer charged with any duty in connection with assessing or collecting taxes, for the purpose of influencing his official action, shall be guilty of a misdemeanor and subject to the penalties provided in Section 66. The Circuit Court of the judicial circuit in which the municipality is situated, shall have power and jurisdiction to hear and determine cases arising by reason of violation of the provisions of this section and to inflict the penalty therein provided.

Section 69 (*Blank books and forms.*) In order to secure uniformity in all records, accounts, bonds, dockets, warrants, receipts, licenses and certificates provided for in this Act., the Municipal Treasurer shall purchase the necessary blanks, blank books, bonds, dockets, warrants, receipts, certificates and licenses from the Treasurer of the Canal Zone who shall furnish the same at cost.

Section 70. (*Repealing clause.*) All laws, and parts thereof, inconsistent with this Act are hereby repealed.

This Act shall take effect on and after the first day of November, 1904.

Enacted, September 1. 1904.

J. G. WALKER
Chairman, Isthmian Canal Commission.

A true copy.

H. D. REED
Executive Secretary.