

**Warrants—Registration—Payment—Illegal Warrants —
School Districts.**

Warrants issued in previous years in excess of levies made are illegal and cannot be paid in order of registration or at all.

Warrants issued within anticipated levies and registered can be paid in order of registration but cannot be paid out of reserve fund.

Mr. Fred Lay,
County Attorney,
Bozeman, Montana.

September 25, 1931.

My dear Mr. Lay:

You have enclosed in your letter a letter from M. F. Getchell, county treasurer of your county, in which some questions are asked in regard to school warrants. You state that there are a few school districts in your county that have an aggregate registered warrant indebtedness of \$35,000.00. These warrants have been issued in previous years.

Your questions are: first, is it legal to register warrants; second, can present registered warrants be paid from this year's income?

This office has had a number of questions in regard to registered warrants and has reached the following conclusions:

Warrants that have been issued heretofore, that is, for previous years, which were issued in excess of taxes levied cannot be paid out of taxes collected for the present year, nor can they be paid at all until such time as the district may vote a special levy for their payment or until such time as the legislature may authorize the issuance of refunding bonds to pay them.

If these warrants have not been issued in excess of levies that were made from year to year they can be paid out of taxes levied for the current year. That is, warrants that were legally issued within the anticipated levy that was made in some previous year, and have been registered, can now be paid. None of these warrants heretofore issued can be paid, however, out of any part of the money that was collected for any part of the succeeding school year. That is, if there are funds on hand at the present time which have been transferred to the general fund at the beginning of the present school year for the purpose of paying warrants issued between July 1st and November 30th, these funds cannot be used to pay any warrants registered in previous years.

If the school district has no such fund on hand at the present time it can, nevertheless, in my opinion, register warrants issued for the present year if it does not issue them in excess of the amount budgeted for the present year.

Very truly yours,
L. A. FOOT,
Attorney General.