

**Opinion No. 458.****Schools—Cash Basis—Current Revenue  
—Delinquent Taxes—“Pay-As-You-Go  
Plan.”**

HELD: Under Chapter 34, Laws of the Extraordinary Session, 1933, receipts from delinquent taxes may be considered current revenues to pay current expenses where school districts are operating on Cash Basis or “Pay-as-you-go Plan.”

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February 14, 1934.

You inquire as to the construction of Chapter 34 of the laws passed at the extraordinary session of the legislature of 1933—“An Act to Permit School Districts Which Are Indebted to the Limit as Provided by the Constitution of the State of Montana to Operate on a Cash Basis.” You ask

for a definition of the term "current revenues" as described in said Act and whether or not same includes money received from delinquent taxes.

The term "current revenues" has been construed to include taxes for the ensuing year and all liquid assets, such as delinquent taxes, licenses, fines, and other collectible revenues. (Georges Township v. Union Trust Company, 143 A. 10; Galion Iron Works and Manufacturing Co. v. Hollenback Township, 146 A. 448; Athens National Bank v. Ridgebury Township, 154 A. 791.)

Receipts from delinquent taxes may be considered current revenues to pay current expenses when operating under a "Pay-as-you-go Plan", provided that you have complied with the requirements of Chapter 34.