

Fraternal Organizations—Property Subject to Taxation.

The property of fraternal organizations is subject to taxation.

Max. P. Kuhr, Esq.,
County Attorney,
Havre, Montana.

My dear Mr. Kuhr:

I have your letter in which you inquire whether the property of fraternal organizations is exempt from taxation.

You have referred to Volume 5 of the Reports of the Attorney General, on page 591, and ask if a different ruling has been made in this matter.

There has been no change made in the law which would change the rule announced in the opinion referred to. The Legislature passed Section 2499 of the Revised Codes of 1907, which is simply a re-enactment of Article XII, Section 2 of the Constitution, referred to in the above opinion, in the form of a statute.

In 1911 and again in 1919 this section of the statute was slightly amended, and as thus amended provides as follows:

"The property of the United States, the state, counties, cities, towns, school districts, municipal corporations, public libraries, such other property as is used exclusively for agricultural and horticultural societies, for educational purposes, places of actual religious worship, hospitals and places of burial not used or held for private or corporate profit, and institutions of purely public charity, evidences of debt secured by mortgages of record upon real or personal property in the State of Montana, and public art galleries and public observatories not used or held for private or corporate profit, are exempt from taxation but no more land than is necessary for such purposes is exempt: Provided, that the terms public art galleries and public observatories used in this Act shall mean only such art galleries and observatories, whether of public or private ownership, as are open to the public, without charge or fee at all reasonable hours, and are used for the purpose of education only."

It is to be noted that this statute does not undertake to exempt fraternal societies from the payment of taxes.

The Supreme Court of this State, in the case of *Cruse v. Fischl*, 55 Mont. 258, in speaking of this section of the statute, said:

“Section 2499, Revised Codes, is therefore to be construed strictly; that is to say, nothing is to be implied, for the legislation is as broad in its terms as the limitation permits, and in its enactment the lawmakers exhausted their power to relieve property from taxation. All other property within the state is liable to taxation.”

I am, therefore, of the opinion that the rule announced in Volume 5 of the Attorney General's Opinions, page 591, is unchanged, and that property of fraternal organizations is subject to taxation.

Very truly yours,

WELLINGTON D. RANKIN,
Attorney General.