

to the rate of interest necessary to be paid after March 6, 1933, on delinquent taxes where certificates of sale are held by private individuals.

This matter was discussed very fully in our opinion No. 201, in which we conclude that the interest on all taxes delinquent and where certificates had issued was to be figured at the rate of eight per cent after March 16, 1933. Our opinion in that case related to and shall be confined to those cases where the county held the certificates of sale at the time of the passage of the act.

You now raise the question: Where the certificate was assigned to an individual before the passage of the act, does not such a method of computing interest impair the obligation of contracts (to draw interest at 12 per cent) where such tax certificates are held by private individuals?

There is very little law to be found upon that question. There are a few cases cited in 61 C. J. 1275 which appear to indicate that that is the correct conclusion.

I would therefore conclude that as to such individuals who obtained such certificates prior to the passage of Chapter 176, Laws of 1933, the attempt by the legislature to fix the rate at eight per cent is invalid. In such cases the certificates issued to private individuals prior to March 2, 1931, must draw interest at the rate of twelve per cent per annum until redemption is made. This conclusion would not apply where the certificates are held by the county at the time of the approval of the act on March 16, 1933.

Opinion No. 360

Taxation — Tax Certificates — Delinquent Taxes — Interest

HELD: As to individuals who obtained tax certificates before the passage of Chapter 176, Laws of 1933, the attempt by the legislature to fix the rate of interest at 8 per cent is invalid, and the certificates issued to private individuals before March 2, 1931, must draw interest at the rate of 12 per cent per annum until redemption is made.

October 11, 1933.

You request an opinion (relative to Chapter 176 of the Laws of 1933) as