

Hail Insurance—Refund—Interest—Taxes.

Interest may not be allowed upon a refund of hail insurance paid by mistake.

E. K. Bowman, Esq.,
Chairman State Board of Hail Insurance,
Helena, Montana.

My dear Mr. Bowman:

You have requested my opinion as to whether, upon a refund of hail insurance, by reason of the fact that the insurance was paid by mistake, interest should be allowed at 6% on this amount from the date of payment to the date of refund.

There are no statutory provisions authorizing interest to be paid in a case of this kind, and it is a general proposition of law that a state is not liable for interest in the absence of statute or an express contract providing for the payment thereof.

Molineaux v. State (Cal.), 42 Pac. 34;
McBride v. State, 179 N. Y. Supp. 651;
McNutt v. Los Angeles, 201 Pac. 592;
Savings Soc. v. San Francisco, 63 Pac. 665;
36 Cyc. 906, and case under Note 76.

It is, therefore, my opinion that interest should not be paid on this claim for the reason that there is no provision of law authorizing the payment of interest under such circumstances.

Very truly yours,

WELLINGTON D. RANKIN,
Attorney General.