

**Taxes—County Treasurer—Hail Insurance—State Board
of Hail Insurance—Release—Compromise.**

The State Board of Hail Insurance may compromise the hail insurance taxes with mortgagees prior in time to the levy of the tax, and accept in full satisfaction thereof a sum less than the face of the tax, and may thereupon cancel the lien of the tax.

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

My dear Mr. Bowman:

In response to your request for advice, this office heretofore wrote you an opinion stating that your office possesses the authority to authorize the acceptance of a compromise offer made by mortgagees holding mortgages prior in time to the lien of hail insurance taxes, to pay part of such taxes on condition of the cancellation of the total original charge for hail insurance.

You now refer me to a prior letter written to you by this office in which the statement is made that "the Hail Insurance Board could not cancel these assessments by reason of the provisions of Section 39 of Article V of the Constitution." You now ask how to reconcile these two opinions and how to secure the removal of the cloud on the title to the amount occasioned by the levy of these hail insurance taxes.

In my last letter to you on this subject I did not make specific reference to the constitutional provision above quoted. Consideration, however, was given to the constitutional provision at the time I rendered my last opinion and it was my intention by that opinion to overrule that part of my previous opinion which stated that your Board could not cancel these liens in the event of the acceptance of a compromise offer made in consideration of the cancellation of the lien of the tax.

It is my opinion that upon the acceptance of such compromise offer your office should proceed in substantially the following manner: You should write a letter directed to the County Treasurer of the county in which the land is situated, stating in substance that you have authorized the release of the lien of the hail insurance taxes, specifying them in detail, and authorizing and directing the County Treasurer to accept a definite amount, naming it in full settlement of the tax lien in question. This letter will constitute the authority of the County Treasurer to accept the sum of money specified in full settlement of the tax lien. The Treasurer shall retain your letter in his files as his authority for the release of the tax lien, and should also indicate upon the tax receipt the reason for the acceptance of a lesser sum than the full amount of the tax, under the authority of the letter written by your Board. He should also make an appropriate entry upon the tax rolls opposite the tax in question, indicating the release of the lien of said tax.

Very truly yours,

L. A. FOOT,
Attorney General.