

Inheritance Taxes—Insurance—Estate.

Proceeds of an insurance policy are subject to an inheritance tax when in excess of \$50,000, whether payable to the estate or to designated beneficiaries.

May 8, 1928.

State Board of Equalization,
Helena, Montana.

Gentlemen:

You have requested my interpretation of subdivision 7, section 1, chapter 65 of the laws of 1923.

This subdivision reads as follows:

“All insurance payable upon the death of any person over and above fifty thousand dollars (\$50,000), shall be deemed a part of the property and estate passing to the person or persons entitled to receive the same and if payable to more than one person the said fifty thousand dollars (\$50,000) exemption shall be prorated between such persons in proportion to the amount of insurance payable to each.”

The specific question confronting you is whether this provision has reference to a situation where the insurance is made payable to the estate or whether it has reference only to a case where the insurance is payable to a person or persons, or whether it includes all insurance, whether payable to the estate or to certain designated beneficiaries.

It is my opinion that by the language appearing in the first part of this section, which embraces “all insurance”, the act was intended to apply to insurance, whether payable to the estate or to designated beneficiaries.

Very truly yours,

L. A. FOOT,
Attorney General.