

**Building and Loan Associations—Shares of Stock—Taxation Assessment.**

Shares of stock in a building and loan association are assessable to the owner thereof as provided by chapter 62, laws of 1929. If the owner fails to disclose the stock it may be assessed in the manner provided by section 2007 R.C.M. 1921.

Seth Bohart, Esq.,  
County Attorney,  
Bozeman, Montana.

June 11, 1929.

My dear Mr. Bohart:

You have requested my opinion as to the assessment of shares of stock owned by residents of Gallatin county in various building and loan associations, both domestic and foreign, and in this regard state that it is the contention of some of the owners of this stock that shares of stock are taxable only at the principal office of the corporation.

That shares of stock are personal property is undisputable, and, therefore, under the laws of this state are taxable to the owner thereof. I know of no law which requires that they be taxed only at the principal office of the corporation.

In regard to building and loan stock, Chapter 62 of the Laws of 1929 provides, in part, as follows:

“The amount standing to the credit of each member of any such association, upon its books, shall be considered and held as the individual credit of each member, and each member shall list the shares held by him for taxation, at their real value in money, in the county of his residence, the same as other credits are listed, except shares from which loans have been made, or money advanced by the association, and as to such shares they shall be listed for taxation at the net cash value of the stock, to be ascertained by deducting the loan from the cash value of the shares. Associations organized under or controlled by this Act shall be subject to taxation in no other way.”

From the above it is clear that building and loan stock is taxable to the individual owner as therein provided.

You also state that some of the owners of this stock have refused to disclose to the assessor, on his demand, the amount of stock held by them, and that the assessor has proceeded to assess the same under the provisions of Section 2515 R.C.M. 1921, by estimating the value of the same, and that the owners now contend that such an assessment is void for the reason that it is arbitrary and based upon a mere guess. I presume that you are referring to Section 2007 instead of 2515, and it is my opinion that under the provisions of this section the assessor is authorized to estimate the value of the property, and as this section is in the nature of a penalty for refusal to divulge information it is my opinion that the assessment made thereunder is valid.

Very truly yours,

L. A. FOOT,  
Attorney General.