

State Lands—Taxation—Buildings—Improvements.

Buildings situated on state lands which are sold by the state with the land should be taxed only to the extent of the purchaser's interest therein. Where, however, buildings are placed on land by the purchaser or the purchaser has purchased them from a prior lessee of the land they should be assessed to the purchaser at their full value.

Mr. Frank L. Chatterton,
County Assessor,
Cut Bank, Montana.

June 19, 1931.

My dear Mr. Chatterton:

You request an opinion whether buildings on state lands which are sold to individuals on the installment plan should be assessed at their full value or whether only the interest of the purchaser should be assessed.

Where lands are owned by the state upon which buildings, also owned by the state, are situated, and the lands as well as the buildings are sold to a purchaser under contract, it is my opinion that the interest of the purchaser in the lands and buildings would only be assessed.

Where, however, buildings are placed upon the land by the purchaser, or the purchaser has purchased them from a prior lessee of the land so that the state does not have title thereto and they do not pass with the sale of the land, then they would be assessed to the purchaser at their full value.

In my opinion, the provision in chapter 60, laws of 1927, to the effect that the improvements on the land shall be assessed and taxed as other improvements on farm lands, refers only to the two cases last mentioned, namely, where they are owned by the purchaser, he having placed them on the land himself, or he has purchased them from a prior lessee of the land who had placed them thereon.

Very truly yours,

L. A. FOOT,
Attorney General.