

Irrigation Districts—Bonds—Interest.

Irrigation bonds issued under section 7212, R.C.M. 1921, and related sections bear interest on the principal from date until paid. Bonds which are past due should bear interest at the rates specified in the bond until they are actually paid.

Mr. R. N. Hawkins,
Assistant State Examiner,
Helena, Montana.

August 10, 1931.

My dear Mr. Hawkins:

I have your request for an opinion. You enclose cancelled bonds of

the Cove Irrigation District which I return to you herewith. You desire my opinion as to the right of the county treasurer to pay interest on the bonds of that district that are past due.

These bonds were apparently issued under section 7212 R.C.M. 1921 and not under the provisions of law relating to the issuance of bonds by irrigation districts under the supervision of the public service commission. That being the case said section 7212 specifically provides that the bonds shall bear interest from their date until paid at a rate not to exceed 6% per annum. The said section only requires the installments of interest to date of maturity of principal to be evidenced by coupons attached to the bonds.

It is therefore my opinion that the county treasurer has the right to pay interest on the bonds that are past due until they are paid, at the rate provided for in the bond, namely, 6% per annum.

Very truly yours,

L. A. FOOT,

Attorney General.