

Blue Sky Law—Assets Fee—Applicability—Corporations.

The assets fee provided for by chapter 179, laws of 1929, does not apply to companies which sell their securities merely

for the purpose of financing their mining, agricultural, manufacturing or other industrial enterprises. The fee is only collectable from investment companies selling installment bonds, contracts, etc., and companies doing a similar business selling securities as defined by chapter 194, laws of 1931.

Mr. George P. Porter, October 28, 1931.
State Auditor and ex-officio Investment Commissioner,
Helena, Montana.

My dear Mr. Porter:

I have your request for an opinion.

In my opinion, the assets fee provided for in section 4050, as amended by chapter 179, laws of 1929, does not apply to companies which sell their securities merely for the purpose of financing their mining, agricultural, manufacturing or other industrial enterprises. The fee is only collectable from investment companies selling installment bonds, contracts, etc. and companies doing a similar business selling securities as defined by section 4027 as amended by chapter 194, laws of 1931.

Just what would be construed to be a "similar business" within the view of the statute would depend upon the nature of the business transacted by each particular company. Generally speaking, however, in my opinion the fee is collectable only from those companies whose business it is to sell their securities to the public for profit, or, in other words, those companies whose business is confined to what is commonly known as the investment field as distinguished from mining, manufacturing, commercial, agricultural or other industrial enterprises.

Very truly yours,

L. A. FOOT,
Attorney General.