

**Taxation — Sub-Station Machinery — Classification — Assessment—State Board of Equalization—Assessor.**

Sub-station machinery of an electric power company is not a part of the single and continuous property of the company and is therefore not assessable by the state board of equalization but by the county assessor. Said sub-station property should be assigned to class 2 of section 1999, R. C. M. 1921.

State Board of Equalization,  
Helena, Montana.

May 26, 1931.

Gentlemen:

You have submitted the following questions and request an opinion thereon:

“1. Is sub-station machinery a part of the continuous property of an electric power company?

“2. Should sub-station machinery be assessed by the county assessor of the county in which it is located or should such property be assessed by the state board of equalization?

“3. To what class should sub-station machinery be assigned?”

Section 8 of chapter 3, laws of 1923, provides that it is the duty of the state board of equalization to annually assess the pole lines and rights-of-way and all other property of electric power and transmission lines constituting a single and continuous property operated in more than one county in the state; provided, however, that dams and power houses, furniture, machinery and other personal property shall not be considered as a part of such single and continuous property but that the same shall be considered as separate and distinct therefrom and be assessed by the county assessor.

It is apparent from this section that the machinery of a transmission plant is not to be deemed a part of the single and continuous property extending into more than one county but that the same is considered local and to be assessed by the county assessor.

The machinery in a sub-station, according to the information I have been able to obtain, performs no part in the process of generating electricity but the same performs a purpose in connection with the distribution of the current generated at the power house. It could not, therefore, be said that the machinery in these sub-stations, which is used for

the purpose of aiding in the distribution of the current is manufacturing machinery so as to come within class 4 of section 1999. Such machinery would, therefore, come within class 2 of said section.

It is therefore my opinion that machinery in a sub-station is not a part of the single and continuous property which the state board of equalization is permitted to assess but that the same should be assessed by the county assessor of the county in which it is situated. While this machinery might, generally speaking, be said to be a part of the single and continuous property because used in connection therewith, nevertheless, it is only the single and continuous property that is defined by the law that the state board of equalization may assess and the law specifically states that machinery shall not be considered a part of the single and continuous property.

It is also my opinion that said sub-station property should be assigned to class 2 of section 1999, R.C.M. 1921.

Very truly yours,

L. A. FOOT,

Attorney General.