

as all of Block 3, being Lots 1 to 20, inclusive, of Daly's Addition and Townsite adjoining the City of Miles City, Custer County, Montana, you have submitted the following:

"First: Is the abstract complete?"

"Second: Is it your opinion that the Montana Relief Commission is liable for its taxes on the Miles City Tannery during the period when this property was held in trust by the Montana Rural Rehabilitation Corporation? A tax bill has been submitted to the Montana Relief Commission on this property.

"Third: With title to the Miles City Tannery vested in the Montana Relief Commission must the Montana Relief Commission under law pay taxes on the same to either the State of Montana or the County of Custer?"

According to abstract No. 2243, consisting of nineteen pages, by the Security Abstract and Title Company of Miles City, and various continuations thereof, the last being by the Custer Abstract Company, No. 4706, consisting of twenty-five pages, certified on the 7th day of December, the abstract covering this property appears to be complete to the last mentioned date.

Answering your second and third questions, it is my opinion that property belonging to the Montana Relief Commission is exempt from taxation by virtue of Section 2, Article XII of the Montana Constitution, which reads:

"The property of the United States, the state, counties, cities, towns, school districts, municipal corporations and public libraries shall be exempt from taxation * * * ."

Section 1998, R. C. M. 1935, is to the same effect. Section 355.1, R. C. M. 1935, designates the Montana Relief Commission as a "state department." By Section 335.15, the Commission may take title to property in its own name. There can be no doubt of the fact that property held by the Montana Relief Commission is property of the State of Montana, and is therefore exempt from taxation. It has also been held that property acquired by the state was not liable for taxes assessed prior to such acquisition. See opinion of the Attorney General dated December 23, 1935, to the Mon-

Opinion No. 23.

Taxation—Assessments. State Property. Montana Relief Commission.

HELD: Property, title to which vested in the Montana Relief Commission, is exempt from State and County taxes.

State is not liable for taxes on property levied prior to its acquisition by the state.

The State, however, is liable for special assessments levied against its property.

January 21, 1937.

Montana Relief Commission
Helena, Montana
Attention: Joseph E. Watson, Administrator

Gentlemen:

With reference to the Miles City Tannery, being the property described

tana Relief Commission, Attention W. M. Ruffcorn, Administrator; opinion dated April 2, 1936, to Montana Relief Commission, Attention J. A. Buley and W. J. Thomas; opinion dated June 21, 1934, to H. H. Hullinger, County Attorney, Volume 15, Opinions of the Attorney General, p. 385. See also 61 C. J. 418; State v. Minidoka County, (Ida.) 298 Pac. 367; State v. Locke, (N. M.) 219 Pac. 790; State v. Galyon, (Okla.) 7 Pac. (2) 484.

This rule, however, does not apply to special assessments. See *City of Kalispell v. School District No. 5*, 45 Mont. 221; Volume 12, Opinions of the Attorney General, page 144, and opinion of the Attorney General, dated March 24, 1936, to the Montana Relief Commission, Attention W. J. Thomas, Purchasing Agent. Both of your second and third questions, therefore, should be answered in the negative.