

## Opinion No. 155.

**Motor Vehicles—Registration of Motor Vehicles—License Fees—Counties.**

**Held:** A motor vehicle owned by an automobile company, but under the exclusive control of a city in accordance with the terms of a rental lease agreement is exempted from the statutory requirement for registration and payment of license fees as provided by Section 1760, Revised Codes of Montana, 1935, as last amended by Chapters 200 and 201, Laws of 1945; but so long as ownership is not in the city, there is no exemption from taxation.

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May 16, 1946.

Mr. Ernest A. Peterson  
County Attorney  
Gallatin County  
Bozeman, Montana

Dear Mr. Peterson:

You have inquired regarding the registration and taxation of a motor vehicle leased to the City of Bozeman by an automobile company of that city. For the purposes of this opinion, I am assuming the vehicle so leased to the city is under the complete control and supervision of the city government for the term of the lease.

Section 1759, Revised Codes of Montana, 1935, as amended by Chapter 72, Laws of 1937, provides the procedure for application for registration of motor vehicles and payment of license fees thereon. It provides in part:

“The applicant shall, upon the filing of said application, (1) pay to the county treasurer the registration fee, as provided in Section 1760, Revised Codes of Montana, 1935, and

shall also at such time (2) pay the taxes assessed against said motor vehicle for the current year of registration (unless the same shall have been theretofore paid for said year) before the application for registration or re-registration may be accepted by the county treasurer."

Section 1760, Revised Codes of Montana, 1935, as last amended by Chapters 200 and 201, Laws of 1945 (previously amended by Chapter 138, Laws of 1937, Chapter 125, Laws of 1939, Chapter 154, Laws of 1943) sets forth the registration fees for motor vehicles, and provides in part:

"The provisions of this act with respect to the payment of registration fees shall not apply to or be binding upon motor vehicles, trailers or semi-trailers or tractors owned or controlled by the United States of America or any state, county or city, but in all other respects the provisions of this act shall be applicable to and binding upon motor vehicles, tractors, trailers and semi-trailers." (Emphasis mine.)

Article XII, Section 2, Montana Constitution, and Section 1998, Revised Codes of Montana, 1935, provide the property of cities shall be exempt from taxation.

The motor vehicle in the instant case is not the property of the city concerned, and hence the property is not exempt from taxation. Although not the property of the city, it appears under the facts which you have presented to be controlled exclusively by the city during the one-year term of the lease, and hence is exempted from the provisions of Section 1760, supra.

It is therefore my opinion a motor vehicle owned by an automobile company, but under the exclusive control of a city in accordance with the terms of a rental lease agreement is exempted from the statutory requirement for registration and payment of license fees as provided by Section 1760, Revised Codes of Montana, 1935, as last amended by Chapters 200 and 201, Laws of 1945; but so long as ownership is not in the city, there is no exemption from taxation.

Sincerely yours,  
R. V. BOTTOMLY,  
Attorney General