

Opinion No. 19-2446

December 12, 1919

BY: HARRY S. BOWMAN, Assistant Attorney General

TO: Equitable Building & Loan Association, Roswell, New Mexico.

Application Franchise Tax to Building and Loan Associations.

OPINION

Your favor of the 2nd instant, addressed to Mr. Askren, in regard to the franchise tax provided for by Chapter 100, Laws 1919, as applicable to Building and Loan Associations in New Mexico, has been referred to the writer for reply.

There is nothing in the act above mentioned which exempts Building and Loan Associations from the provisions of the law, and therefore we are constrained to hold that Building and Loan Associations are not exempt from the payment of this tax.

It is also quite clear that the tax is levied upon the authorized capital of the corporation and not upon the paid-in capital, or the actual assets of the company. Section 3 of the act provides that a tax at the rate of ten dollars for each one hundred thousand dollars, or fraction thereof of its **authorized** capital stock, shall be paid and there is no ambiguity in the language used. It would therefore appear as if it was the intention of the legislature that the tax should be computed upon the authorized, and not upon the actual capital of the corporation.