

Opinion No. 32-358

January 29, 1932

BY: E. K. Neumann, Attorney General

TO: Hon. Thomas C. Coffin, Mayor, Pocatello, Idaho.

{*130} Regarding your letter of January 25, 1932, in connection with the {*131} method of assessment and collection of taxes upon railroad property in this state.

From your letter, it is very apparent to me that New Mexico has approximately, if not identically, the same system for the assessment and collection of taxes upon railroad property as does the State of Idaho. The value of all railroad property, for tax purposes, within the State is fixed by the State Tax Commission, in accordance with the statutes prescribing the method.

Our statutes, however, are silent as to the matter of allocation of values for the purpose of collecting taxes upon the assessment as made by the State Tax Commission. The State Tax Commission for many years, in fact ever since New Mexico has been a state, has allocated values on railroad property according to the number of miles of main line track in any county at the per mile valuation, excepting, however, that where there are secondary and inferior lines in a particular county, the allocation is made according to the value per mile of such secondary or inferior track. This includes depot and track facilities in railroad centers. There is, however, a distribution of the value of what is termed terminal facilities and the value thereof is credited to the particular school district in which such terminal facilities may happen to be. This, as I have stated, does not include depot and track, but is simply such property as is used by the railroad for its convenience and not absolutely necessary for the maintenance of its line, such as the dining rooms and hotels at depot points, tie plants, ice houses, stock yards and the like.

It is generally recognized that such system of taxation and allocation of values is somewhat unfair in that some of our cities lose quite a bit of valuation because of the splendid depot and track facilities, but at the present time it is almost impossible to change the method, as viewed by the Tax Commission and others interested in taxation, for reason that so many of our school districts have been bonded in accordance with the valuations made as I have herein outlined, and to take such value from them at this time, prior to the time bonds issued against such values are paid, would result in practically bankruptcy for many school districts.

Trusting that I have made myself clear and have given you information that you desire, I am