

**Opinion No. 35-951**

March 20, 1935

**BY:** FRANK H. PATTON, Attorney General

**TO:** Mr. Don. R. Casados, Chairman, State Corporation Commission, Santa Fe, New Mexico.

{\*55} Your letter of March 19th refers to subsidiaries of Chrysler Corporation registered in the State of New Mexico and which companies are engaged in purely interstate transactions and you desire information in regard to payment of franchise tax as provided by Chapter 116, Laws of 1935.

Your attention is directed to Section 6 of said chapter which provides as follows:

"In making the assessment provided by this Act there shall be excluded the property of any corporation situate without the State of New Mexico, or used exclusively in interstate or foreign commerce."

The franchise tax as provided by Section 2 of the Act is at the rate of One Dollar for each One Thousand Dollars of the par value of that proportion of authorized and issued capital stock reported by property and business in this State.

In view of the foregoing, it would therefore be my opinion that if these companies are in fact engaged in inter-state commerce, no assessment should be made as to that part of the property and business in this State.