

June 6, 1934

O'Connor, Fitzgerald & Moran
Attorneys at Law
1380 Rust Building
San Francisco, California

Attention Mr. Joseph T. O'Connor

Gentlemen:

I have your letter of June 1, 1934, relative to the provisions of Section 1809, R. C. A. 1928, relative to taxes on premiums collected by fire insurance companies.

I cannot agree with your contention that the provisions of Section 1809 exempts fire insurance companies from the payment of motor vehicle registration fees. I do not agree with your conclusion that the provisions of our statute, requiring the payment of a motor vehicle registration fee, constitute a revenue measure. The registration fee charged is not greatly in excess of the amount necessary to pay the expense of registration. However, if this be considered a revenue measure, it is not exempted by the provisions of 1809. If a tax, it would be a license tax but not a license tax for conducting an insurance business in the State. The premium tax under 1809 is in lieu of all ad valorem taxes but not in lieu of all license taxes. The only license tax exempted by this section is a license tax for conducting an insurance business in the State.

The wording of the provision of the California constitution, referred to by you, is, in my opinion, entirely different from the provisions of our statute.

Very truly yours,

Attorney General

CLS:B

Assistant Attorney General

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