

5 February 1946

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ARIZONA ATTORNEY GENERAL

Mr. John M. McGuire  
Deputy County Attorney  
County of Yuma  
YUMA, A r i z o n a

Dear Mr. McGuire:

This is in reply to your letter of 1 February 1946, relating to veterans' tax exemption on motor vehicles.

On 18 April 1945 we wrote an opinion to the State Tax Commission, part of which touched upon the subject matter of your letter. At that time we based our opinion on the case of Lebeck v. State, 159 Pac. (2d) 720, decided by the Supreme Court of Arizona on 24 February 1946. In that opinion we held in substance that a veteran otherwise qualified could include his motor vehicle as property subject to tax exemption. A copy of that opinion was mailed to every county assessor in the State of Arizona, and we are sure that the Yuma County Assessor must have received his. The Supreme Court in the Lebeck case said:

" \* \* \* (the lieu tax) is a substitute tax for a pre-existing ad valorem property tax with the obvious purpose of fixing a formula for arriving at the value to be placed upon motor vehicles so as to have a uniform rule to guide assessment officials in fixing the value of such vehicles for taxation purposes. If it were not for the amendment, motor vehicles subject to the tax would be required to be assessed at their full cash value as in other classes of property. We have already held in the case of Powell v. Gleason, 50 Ariz. 242; 74 Pac. (2d) 47; 114 A.L.R. 833, that a lieu tax similar to the one involved herein was in the nature of an ad valorem tax. \* \* \* \* \*"

Then, on page 722 the court said:

" \* \* \* In view of our holding herein, we must by necessity reverse our ruling in the case of McAhren v. Bradshaw, supra. \* \* \* \* \*"

For the foregoing reasons, it is our opinion that the law in this state, as laid down in the Lebeck case, is that the tax on motor vehicles is in the nature of an ad valorem tax, and therefore the veteran may claim it as a part of his exemption.

Very truly yours,

JOHN L. SULLIVAN, Attorney Gen'l

HARRY O. JULIANI,  
Chief Assistant Attorney General

HQJ:s