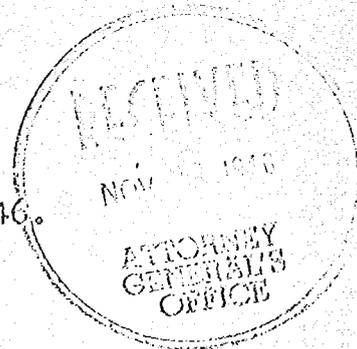


LAW LIBRARY
ARIZONA ATTORNEY GENERAL

November 27, 1946.



Mr. Arthur Palmer, Assessor,
Holbrook, Arizona.

Dear Sir:

Replying to your letter of November 1, 1946, relative to collection of the lieu tax on motor vehicles:

Prior to the adoption of Section 11 of Article 9 of the State Constitution, January 1, 1941, motor vehicles were subject to an ad valorem tax. Motor vehicles engaged in interstate commerce, and motor vehicles owned by the state, or that enjoyed an exemption by virtue of Section 2 of Article 9 were not subject to the ad valorem tax.

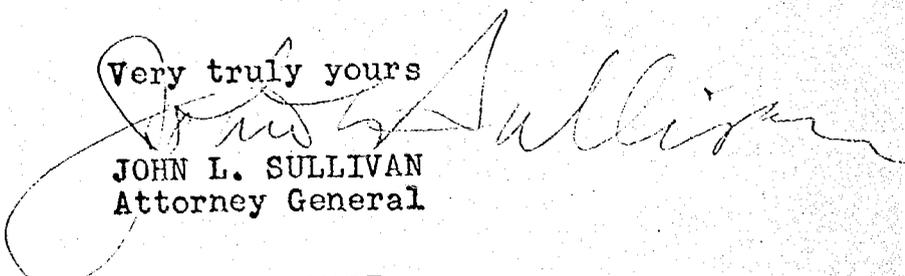
Section 11 of Article 9 classified motor vehicles separately from other personal property providing that, in lieu of an ad valorem tax, the owner pay a graduated tax based upon a fixed rate and a percentage of the manufacturers' list price and to be reduced successively by one-twelfth for each full month as registered after the first of the year.

In *Lebeck vs Arizona* (62 Ariz. 171) the Supreme Court interpreted the lieu tax amendment, holding that the basis of liability for taxation under the lieu tax provision was premised upon the proposition that the motor vehicle was subject to an ad valorem tax prior to the amendment.

In determining, therefore, the liability for the payment of a lieu tax the same rule should be applied in the enforcement of the payment of the lieu tax as was applied to the enforcement and collection of the ad valorem property tax on motor vehicles prior to the adoption of the amendment.

The issuance by the Motor Vehicle Division of its certificate No. 506 is made pursuant to Section 66-205, A.C.A., 1939, directing the superintendent to issue a registration to a motor vehicle registered in a foreign state, and is not determinative of the assessor's right or authority to assess as under an ad valorem property tax.

Very truly yours


JOHN L. SULLIVAN
Attorney General

R. G. LANGMADE
Assistant Attorney General

RGL/c