

COUNTY TREASURER:) Not entitled to commission of not exceeding
) one per cent under Section 2904, h. S. 1929,
OFFICERS:) for Funding Bonds.

August 6, 1936.



Honorable Forrest Smith
State Auditor
Jefferson City, Missouri

Dear Mr. Smith:

This is to acknowledge receipt of your letter of July 23, 1936, in which you request an opinion of this Department. Your letter is as follows:

"Section 2904, R. S. Missouri 1929, provides for reimbursement to a Treasurer of any County, City, Town, Village or School District for brokerage fees required to be paid in the purchase or exchange of bonds, said allowance not to exceed one per cent.

"In our county audits we find that a County Treasurer has used this section to obtain additional compensation for himself in handling various bond issues that have gone through his office. I would like for you to advise if this section is authority for such compensation."

It is our opinion that this section is not authority for the allowance of a fee or commission to the County Treasurer for money paid out by him in the purchase or exchange of bonds under Article 4, Chapter 15, R. S. Mo. 1929, and amendatory acts.

August 6, 1936.

It will be noted that the county court or the municipal authorities, as the case might be, may allow the treasurer all sums necessarily paid by him for brokerage in the purchase or exchange of bonds. "Brokerage" has been defined as the commissions paid to a broker for his services and as the name used to designate compensation for brokers' services. This section does not mean that the treasurer shall receive an allowance for performance of this duty unless it is first paid out by him, and then he is entitled to reimbursement only; however, limited to not exceeding one per cent upon the amount of money actually paid out by him in the purchase or exchange of bonds. The bold-faced type at the head of Section 2904, R. S. Mo. 1929, is somewhat misleading and is not supported by the body of the section.

It is, therefore, our opinion that the county treasurer mentioned in your letter is not entitled to one per cent as compensation for handling the various bond issues indicated in your letter.

Very truly yours,

COVELL R. HEWITT
Assistant Attorney-General

APPROVED:

JOHN W. HOFFMAN, Jr.,
(Acting) Attorney-General

CRH:EG