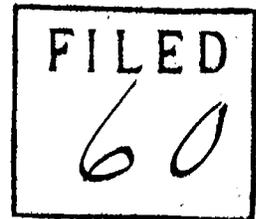


TAXATION OF MANUFACTURERS: Taxing of raw materials  
and stocks on hand.



July 27, 1945

*Jr*

Honorable Emory C. Medlin  
Prosecuting Attorney  
Barry County  
Cassville, Missouri

Dear Sir:

This department is in receipt of your letter under date of July 25, requesting an opinion on the following state of facts:

"The County Assessor has asked me a question and I am submitting it to you. In my county we have two places that manufacture garments. At Cassville, a shirt factory and at Monett a pants factory. He would like to know how to assess them and should he assess the stock that they have on hands. Also Armour & Company have a produce house in this county. They buy chickens, dress and pack them and then freeze them. A number of times store them in the ice plant. He would also like to know how to assess their stock and should the stock of these concerns be assessed."

Your attention is called to Section 11339, R. S. 1939, which states in part:

"All manufacturers in this state shall be licensed and taxed on all raw material and finished products, as well as all the tools, machinery and appliances used by them, in the same manner as is or may be provided

by law for the taxing and licensing of merchants; and no county, city, town, township, or municipal authority thereof, shall ever levy any greater amount of tax against a manufacturer than is levied against merchants for the same period. On the first Monday in June in each year it shall be the duty of each person, corporation or copartnership of persons, as provided by this article, to furnish to the assessor of the county in which such license may have been granted a statement of the greatest amount of raw material and finished products, as well as all the tools, machinery and appliances used by him or them, which he or they may have had on hand at any one time between the first Monday in March and the first Monday in June next preceding; said statement shall include raw material and finished products owned by such manufacturer, as well as all the tools, machinery and appliances used by him or them. It shall be the duty of the county assessor to enter such statements in a book to be prepared for that purpose at the expense of the county, suitably ruled, with columns for the name of the manufacturer, the amount of his or their statements as returned to the assessor, the valuation of such statements as equalized by the county board of equalization, and for state, county and school taxes, and such other columns as may be found useful or convenient in practice; such book shall be verified by an affidavit of the assessor, annexed thereto, in the following words, to wit:

' \_\_\_\_\_ being duly sworn, makes oath and says that he has made diligent efforts to secure sworn statements from all persons, corporations or firms, doing business as manufacturers in the county of which he is assessor; that so far as he has been able to secure such statements, they are correctly set forth in the foregoing book.' \* \* \* \* \*

July 27, 1945

You will note the above section provides that taxing of manufacturers shall be in the same manner as is or may be provided by law for the taxing and licensing of merchants.

Section 11305, R. S. 1939, applies to the taxing of merchants, and provides:

"Merchants shall pay an ad valorem tax equal to that which is levied upon real estate, on the highest amount of all goods, wares and merchandise which they may have in their possession or under their control, whether owned by them or consigned to them for sale, at any time between the first Monday in March and the first Monday in June in each year: \* \* \* \* \*"

The provisions of the two statutes cited above will be amended by the present Legislature to conform to the Constitution of 1945, and future assessments will necessarily have to comply with the laws enacted by this Legislature.

#### Conclusion.

It is the opinion of this department that, under the present statutes, the merchandise of the companies mentioned in your request for an opinion should be taxed in the amount and manner as provided in the statutes set out in this opinion.

Respectfully submitted,

W. BRADY DUNCAN  
Assistant Attorney General

APPROVED:

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Attorney General

WBD:ml