

3262.

APPROVAL, BONDS OF NEWTON FALLS CONSOLIDATED SCHOOL DISTRICT, TRUMBULL COUNTY, \$60,000.00.

COLUMBUS, OHIO, April 10, 1926.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.

3263.

LAW RELATING TO THE EXEMPTION FROM THE GENERAL PROPERTY TAX OF STOCK OF FOREIGN CORPORATIONS HELD BY RESIDENTS OF OHIO DISCUSSED—SECTION 192 G. C. CONSTRUED.

SYLLABUS:

1. *A foreign corporation qualified to transact business in this state prior to October 1, 1925, is required to make a report and pay a franchise tax for the year 1926. If when such corporation files its report for 1926 it elects to pay the franchise tax upon the same basis as an Ohio corporation, the stock of said corporation held by residents of Ohio will be exempt from listing for taxation for the year 1926.*

2. *A foreign corporation authorized to do business in this state after October 31, 1925, and prior to April 11, 1926, is not, under the provisions of section 5519 G. C., required to file a report nor pay a franchise tax until 1927. It may, however, elect to report for the year 1926 and to pay a franchise tax for that year on the same basis as an Ohio corporation. The Tax Commission should accept this report when tendered and such acceptance of the report and the payment of the franchise tax will exempt the person owning such stock from listing the same for taxation.*

3. (a) *The exemption from listing stock under the provisions of section 192 G. C. attaches when the report is filed and the election is made to pay as a domestic corporation.*

(b) *The list when certified by the Tax Commission, as containing the names of all foreign corporations whose stock is exempt from listing for taxation on April 11, 1926, should contain those who have regularly filed their reports for 1926 prior to April 11, 1926, and have elected to pay on the basis of Ohio corporations.*

4. *If a corporation fails for any reason to pay the franchise tax so assessed, the stock of such stockholder may be listed by the auditor as omitted property under section 5399, General Code.*

COLUMBUS, OHIO, April 13, 1926.

The Tax Commission of Ohio, Columbus, Ohio.

DEAR SIRS:—This will acknowledge receipt of your recent communication, which reads:

“The commission is receiving numerous inquiries as to the exemption from the general property tax of stock of foreign corporations held by residents of Ohio. The answer to these inquiries requires an interpretation of section 192 G. C., 111 O. L., 35. In order that we may be able to answer these inquiries, you are respectfully requested to advise the commission as follows: