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AUTOMOBILE DEALER—SHALL PAY ANNUAL LICENSE TAX—EACH PLACE OF BUSINESS OPERATED—PRIVILEGE OF OPERATING ON PUBLIC HIGHWAYS—MOTOR VEHICLES—HELD FOR SALE AT EACH PLACE OF BUSINESS—REQUIREMENT NOT CHANGED OR DIMINISHED BECAUSE DEALER HAS MORE THAN ONE PLACE OF BUSINESS WITHIN SAME TAXING DISTRICT—SECTIONS 4503.09, 4503.27 RC.

SYLLABUS:

The provisions of Sections 4503.09 and 4503.27, Revised Code, require that an automobile dealer shall pay an annual license tax for each place of business operated by him and for the privilege of operating on the public highways the motor vehicles held for sale at each such place of business. Such requirement is not changed or diminished because such dealer has more than one place of business within the same taxing district.

Columbus, Ohio, January 24, 1955

Hon. C. Ervin Nofer, Acting Registrar
Bureau of Motor Vehicles, Columbus, Ohio

Dear Sir:

I have your letter requesting my opinion as to whether an automobile dealer is required to pay an annual license tax for the operation of his motor vehicles at the rate of \$25.00 for each place of business such dealer has within the same taxing district.

The provisions of law governing the levying of a license tax for the operation of motor vehicles on the public roads are found in Sections 4503.01 to 4503.99, inclusive, Revised Code. The levy of such tax on motor vehicle dealers is provided for in Section 4503.09, Revised Code, as follows:

“Each manufacturer of motor vehicles, or *dealer* therein, shall pay a tax of twenty-five dollars *for each place of business in this state*. The registrar of motor vehicles shall collect the tax imposed by this section only from those persons who are manufacturers or dealers.”
(Emphasis added.)

The procedure under which such tax is collected and the action of the registrar in connection therewith is set out in Section 4503.27, Revised Code, as follows:

“A manufacturer of motor vehicles, or *dealer* therein, shall make application for registration, *for each place in this state at which the business of manufacturing or dealing in motor vehicles is carried on*. The application shall show the make of motor vehicles manufactured or dealt in at such place and shall show the taxing district in which the place of business is located. Upon the filing of such application and the payment of the tax therefor, the registrar of motor vehicles shall assign to the applicant a distinctive number which must be carried and displayed by each such motor vehicle in like manner as provided by law for other motor vehicles while it is operated on the public highway until it is sold or transferred. At the time the registrar assigns the distinctive number he shall furnish one placard with the number thereon. Such manufacturer or dealer may procure certified copies of the registration certificate upon the payment of a fee of five dollars. With each of such certified copies the registrar shall furnish one placard with the same numbering provided in the original registration certificate, and shall add thereto such special designation as necessary to distinguish one set of placards from another.

The registrar shall not assign any distinctive number, and he shall not furnish any placards to any dealer unless such dealer at the time of making application for such placards produces evidence to show that he is the holder of a motor vehicle dealer's license required by section 4517.02 of the Revised Code. Such evidence shall be presented in the manner prescribed by the registrar.”
(Emphasis added.)

Before proceeding to a consideration of the significance of the term “place” as used in these sections, it is appropriate to point out that the former section purports only to levy a tax on “each place of business in this state” in the case of each “dealer”, but the latter section provides in effect that the payment of the tax entitles the dealer-taxpayer to a distinctively numbered placard which he is required to display on each motor vehicle which he holds for sale, while it is “operated on the public highway” until “sold or transferred”. This is indicative of a legislative theory that the tax thus imposed is not only a tax on a place of business but is also one imposed on the privilege of operating on the public highways the vehicles held for sale at such place of business.

It seems clear that the word “place” is used in these sections in its ordinary meaning. There is nothing in the context which indicates or

requires a different meaning. Place has been defined as a locality, a spot. Webster's International Dictionary. It is also defined as follows:

“The word ‘place’ in its primary and most general sense means locality, situation, or site, and it is also used to designate an occupied situation or building.” Words and Phrases, Vol. 32; Black's Law Dictionary.

It is to be noted that this word is not defined by any words of a plural meaning and it must, therefore, have reference to one locality, one spot, one situation, or one site.

The provision of Section 4503.27, Revised Code that, “The application * * * shall show the taxing district in which the place of business is located,” is not a modification of, nor an exemption from, the tax levied on “each place of business in this state”. The requirement for designating the taxing district in the application is for assistance in correctly distributing that part of the proceeds of the tax which is payable to local subdivisions under the provisions of Section 4501.04, Revised Code. Such requirement for the naming of taxing district of the situs of a dealer's place of business has no reference to, and does not grant permission for, the maintenance of “branch offices” by said dealer, either within or without the same taxing district, without paying a tax of \$25.00 for each place of business in this state.

Accordingly, it is my opinion that the provisions of Sections 4503.09 and 4503.27, of the Revised Code, require that an automobile dealer shall pay an annual license tax for each place of business operated by him and for the privilege of operating on the public highways the motor vehicles held for sale at each such place of business; and that such requirement is not changed or diminished because such dealer has more than one place of business within the same taxing district.

Respectfully,
C. WILLIAM O'NEILL
Attorney General