

insurance issued in accordance with provisions of Section 39-4306 referred to. I believe that the statute contemplates separate policies as between the insurance company and the various groups of persons or organizations designated as being eligible for that kind of insurance.

I hope that the foregoing will help to clarify the confusion which has existed with reference to group insurance in Indiana.

OFFICIAL OPINION NO. 37

June 18, 1952.

Mr. Noble W. Hollar, Chairman,
State Board of Tax Commissioners,
Room 301, State House,
Indianapolis 4, Indiana.

Dear Sir:

Your letter of May 5, 1952, requesting an official opinion reads as follows:

"The State Board of Tax Commissioners would appreciate the receipt of an official opinion concerning the following question:

"Where the United States Government becomes the owner of real estate in Indiana, and in accordance with the provisions of the Acts of 1883, Chapter 7 (11 B. A. S. (1951 Repl. part 1) 62-1001-2) has jurisdiction ceded to it by the State of Indiana, where the United States Government leases the said real estate to a private corporation for 75 years for the purposes of construing and operating housing for rental for residential use by civilian or military personnel of the several services, and where the buildings and other improvements erected by the lessee shall become, as completed, real estate and part of the leased premises, and property of the United States, leased to the lessee, is either the land, and or, improvements, and or the lease thereof of the land and or improvements subject to state or local real estate or *ad valorem* taxes?"

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Section 1, Chap. 7, Acts of 1883, Burns' Stat., Sec. 62-1001, in part, reads as follows:

"Jurisdiction ceded to United States.—The jurisdiction of this state is hereby ceded to the United States of America over all such pieces or parcels of land within the limits of this state as have been or shall hereafter be selected and acquired by the United States for the purpose of erecting post-offices, custom-houses or other structures exclusively owned by the general government and used for its purposes: * * *"

Section 2, Chap. 7, Acts of 1883, as amended, Burns' Stat., Sec. 62-1002, reads as follows:

"Exemption from taxation—Limitations.—The lands aforesaid, when so acquired, shall forever be exempt from all taxes and assessments so long as the same shall remain the property of the United States: Provided, however, That this exemption shall not extend to or include taxes levied by the State of Indiana upon the gross receipts or income of any person, firm, partnership, association, or corporation which is received on account of the performance of contracts or other activities upon such lands or within the boundaries thereof."

It is assumed that the lands or real estate with improvements thereon contemplated in your question are within the scope of the terms of Burns' Stat., Sec. 62-1001, to-wit:—lands "selected and acquired by the United States for the purpose of erecting post-offices, custom-houses or *other structures* exclusively owned by the general government and *used for its purposes*."

Inasmuch as your inquiry is limited to real estate or *ad valorem* taxes, it is my opinion that Burns' Stat., Sec. 62-1002 controls, in that, "the lands aforesaid, when so acquired, shall forever be exempt from all taxes and assessments so long as the same shall remain the property of the United States."

In my opinion, when the United States acquires complete ownership of State lands, the State loses the powers to collect a tax on such real estate in the nature of an *ad valorem* tax.

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(See *Webb v. Clark County* (1928), 87 Ind. App. 103, 107, 159 N. E. 19.)

Therefore, the property described in your question would not be subject to real estate or *ad valorem* taxes.

OFFICIAL OPINION NO. 38

May 22, 1952.

Honorable Otto K. Jensen,
State Examiner,
State Board of Accounts,
Room 304, State House,
Indianapolis 4, Indiana.

Dear Mr. Jensen:

I have your request for an Official Opinion in which you ask the following question:

“Can the Trustees of the Town of Chesterfield levy a small *ad valorem* tax in addition to its regular tax levy to create a fund from which a guarantee of payment may be made in the event of a default by any person against whose property a special assessment has been levied in connection with the proposed project?”

I find only one statute which specifically authorizes the levying of a special tax for Barrett Bond purposes. This is Section 1 of Chapter 142 of the Acts of 1913 as last amended by Section 1 of Chapter 168 of the Acts of 1925, same being Burns' 48-2702. The provisions of this Act are too narrow to encompass payment of merely delinquent Barrett Bond assessments. However, Section 7 of Chapter 99 of the Acts of 1931 as last amended by Section 1, Chapter 213 of the Acts of 1951 provides for the creation of a “Special Assessment Delinquency and Deficit Fund.” In all cities and towns having Barrett Bonds outstanding this Section provides in part:

“* * * The common councils and boards of trustees of the various cities and towns shall also be authorized to appropriate and transfer from the general funds