issuance of the same. Neither is there any rule or regulation duly promulgated by the department of conservation covering the situation.

It is my opinion, that your department is without authority to issue duplicate licenses to replace, for all intents and purposes, original hunting and fishing licenses that have been lost or destroyed. The only remedy for such a situation, as now provided by law, is the purchase of a new license.

GOVERNOR: Legality of contract entered into with municipality without competitive bidding.

September 23, 1933.

Honorable Paul V. McNutt,
Governor of the State of Indiana,
Indianapolis, Indiana.

Dear Governor McNutt:

I have before me your request for an opinion concerning the legality of a contract executed between a corporation or an individual, and a municipality, whereby the individual or corporation undertakes to act as a construction engineer of the direct construction of a sewage disposal plant and equipment for the municipality, such contract being entered into without competitive bidding. In answer thereto, I submit the following:

The right of cities and towns to own, acquire, construct, equip, operate and maintain sewage treatment plants, and necessary appurtenances, is properly established in chapter 61, of the acts of the special session of the General Assembly of Indiana, 1932, as amended in chapter 187 of the acts of the General Assembly of Indiana, 1933.

Section 3, chapter 61, Acts of 1932, provides as follows:

"The board may employ engineers, architects, inspectors, superintendent, manager, collectors, attorneys, and such other employees as in its judgment may be necessary in the execution of its powers and duties, and may fix their compensation, all of whom shall do such work as the board shall direct."

Section 3, chapter 61, further provides:

"Any contract or agreement with any contractor or contractors for labor and/or material, exceeding in
amount the sum of one thousand dollars, shall be made under and pursuant to the provisions of section 95 of ‘An act concerning municipal corporations, approved March 6, 1905, being section 10342, Burns Annotated Indiana Statutes 1926.”

Section 10342, Burns Revised Statutes 1926, provides when “work that according to law is to be performed by contract”, then there shall be public notice, and receipt of bids, and the letting of contracts to the lowest and/or best bidder.

Your question presents first, the inquiry of whether or not the board of works may proceed with this work directly and not by general contract? Cities have been held to have the general power to construct such projects without the authorization of statute. City of Aurora, et al. v. Fox, et al., 78 Ind. 1. In my opinion, they are specifically authorized to do so in the statute as outlined above. This opinion is supported by the liberal attitude of the legislature evinced in section 22 of chapter 61, Acts of 1932, which provides that:

“No publication of any resolution, ordinance, notice or proceedings relating to such construction or acquisition shall be required except such as are prescribed by this act.”

Your question presents the further inquiry as to whether or not the professional services of a supervising engineer, or engineering corporation are necessarily to be subjected to competitive bidding, if the cost thereof is to exceed one thousand dollars.

Chapter 61, section 3, specifically authorizes the employment of engineers and architects. Courts generally have held that the services of an attorney, architect, engineer or other professional services are not, unless specifically required by statute, the subject of competitive bidding. In the case of “City of Newport News v. Potter, 122 Fed. 321, the court in considering a general provision that all contracts to be let to the lowest responsible bidder, and upholding the direct employment of a supervising engineer, discusses the proposition in the following language:

“If the city had desired the services of a counselor at law concerning some contemplated public improve-
ment, it would not be seriously contended that the lowest responsible bidder must have been employed."

City of Newport News v. Potter, 122 Fed. 321;

It is, therefore, my opinion that a municipality may construct a sewage disposal plant directly, and that a contract may be entered into between an individual or a corporation, and the municipality, wherein the corporation or individual is to act as construction engineer of the direct construction of the plant, without the necessity of submitting such services to competitive bidding.

GROSS INCOME TAX: When co-operative associations and farm bureaus are exempt from tax.

September 25, 1933.

Department of Treasury,
State of Indiana,
Indianapolis, Indiana.
Att.: Hon. Leroy Sanders,
Gross Income Tax Division.

Dear Sir:

I have before me your request for an official opinion presenting the following inquiry:

"Many farm bureaus and co-operative associations, dealing in farm products, are filing applications for exemption under the gross income tax law and claiming such exemption under section 7-B of such law. In most instances these associations or corporations are organized under the Co-operative Corporation Act, as provided in chapter 20 of the Acts of 1925.

"In the articles of incorporation of each of these it expressly provides that they are a non-profit organization. In a great many instances preferred stock is issued upon which dividends are paid. The members of these corporations are issued stock and are paid dividends thereon.

"The county organization deals with members and non-members alike. They are instructed, however, that they must sell 51% of the supplies or materials or