A. G. FILE NO.

OFFICE OF THE ATTORNEY GENERAL OF TEXAS
AUSTIN

GROVER SELLERS
ATTORNEY GENERAL

Honorable D. H. Utley
County Auditor
Clay County
Henrietta, Texas

Dear Sir:

Opinion No. O-7523

Re: Taxability of bank deposits

Your recent letter inquires whether money on deposit in a bank in this State is subject to taxation.

We direct your attention to Articles 7147 and 7149, Revised Statutes, 1925. These statutes make it clear that the mere fact that a taxpayer does not have money in his personal possession on January 1, of a taxable year, but has it on deposit in a bank, does not allow such funds to escape taxation.

You inquire also at what percentage such deposits are to be assessed. By law, all property, including money on deposit, is required to be taxed at its true and full value (for a statutory definition of the term "value" as used in statutes relating to ad valorem taxation, see Article 7149, supra). Of course, all property must be assessed on the same basis: our Constitution requires that taxation be equal and uniform. Therefore, if less than true and full value be the base for assessment of properties other than bank deposits, a taxing unit seeking to tax bank deposits must assess them for taxation on the same percentage basis as other taxable properties.

You also ask how the Assessor-Collector can find out about such deposits. We do not consider this inquiry a question of law, and hence pretermit discussion thereof.

Yours very truly

ATTORNEY GENERAL OF TEXAS

By Gayner Kendall
Gayner Kendall
Assistant

APPROVED
OPINION
COMMITTEE
BY
CHAIRMAN

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