

1973 S.C. Op. Atty. Gen. 72 (S.C.A.G.), 1973 S.C. Op. Atty. Gen. No. 3484, 1973 WL 20948

Office of the Attorney General

State of South Carolina

Opinion No. 3484

March 6, 1973

***1 Where a power of attorney is contained in an assignment of stock, the power of attorney is separately taxed pursuant to Section 65–690.**

Senior Vice President
The South Carolina National Bank
Columbia, S. C.

Mr. McLeod has handed this writer your letter of March 1, 1973, for attention and reply. You enclosed a copy of a form used by your bank where shares of stock are given as collateral security for loans. The form provides in part as follows:

‘* * * and do hereby irrevocably constitute and appoint (blank) attorney to transfer the said stock on the books of the within named Company with full power of substitution in the premises.’

You request the opinion of whether this document requires the tax imposed by 65–690, a fifty cents tax on a power of attorney.

The factual situation here is quite similar to that found in the case of *Investors Premium Corp. v. South Carolina Tax Commission*, 260 S. C. 13, 193 S. E. 2d 642, in that the power of attorney is to be used only in default to convert the loan collateral for satisfaction of the loan.

It is therefore the opinion of this office that the authority thus granted by the document falls within those subject to taxation by Section 65–690.

Joe L. Allen, Jr.
Assistant Attorney General
South Carolina Tax Commission

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