

paid to agents by insurance companies doing business in Florida and, while it may not in express terms cover a situation such as is described in your inquiry, it is apparent that the intent and purpose of the legislation was to put an end, in so far as the Legislature had the power, to the practice of dividing the commission allowed to agents by insurance companies upon business done in this State.

Thus construed, the statute, in my opinion, forbids the arrangement outlined in your inquiry as hereinabove stated.

Respectfully submitted,

T. F. WEST,

Attorney General.

DIVIDENDS ON POLICY CONTRACTS—EXEMPTION FROM TAXATION.

Tallahassee, Fla., April 22, 1916.

*Honorable J. C. Luning, State Treasurer,
Capitol.*

Dear Sir:—

Yours of the 21st inst has been received and noted.

After reciting certain facts relative to the subject of your inquiry, you state the question submitted to this office as follows:

“The question is, are dividends declared on policy contracts exempt from taxation under Section 29 of Chapter 6421, Laws of Florida?”

Replying to your inquiry, I now confirm the verbal opinion heretofore given you, that the amounts received by insurance companies from policy holders on account of premiums paid by them and which may or may not be paid out by the companies to the policy holders as dividends

(usually at the option of the policy holders, as I understand the contracts) are not exempt from the tax imposed by the statute referred to.

You will note that the tax imposed is "two per cent of the *gross amount* of receipts of premiums from policy holders in this State."

Respectfully submitted,

T. F. WEST,

Attorney General.

FRATERNAL BENEFIT ASSOCIATIONS — "HERALDS OF LIBERTY"—PERMIT UNDER CHAP. 6970, ACTS 1915.

Tallahassee, Fla., August 15, 1916.

Hon. J. C. Luning, State Treasurer,
Capitol.

Dear Sir:—

At your request I have again considered the question of whether or not you would be warranted, under the provisions of Chapter 6970, Acts of 1915, Laws of Florida, in issuing a permit to the Heralds of Liberty to do the business of a fraternal benefit association in this State. I heard Honorable A. W. Cockrell, attorney for this association, in its behalf, have read his communication to you and have given careful consideration to each of his arguments and suggestions.

From my consideration of the questions involved, which has been as extensive as the time available would permit, I have concluded that the decision heretofore reached when this application was originally presented is correct and that the plan of business and insurance contracts issued by this association to its members are such as put it outside the definition of the term "fraternal