



OFFICE OF THE ATTORNEY GENERAL OF TEXAS

AUSTIN

GERALD C. MARK  
ATTORNEY GENERAL

Honorable George H. Sheppard  
Comptroller of Public Accounts  
Austin, Texas

Dear Sir:

Opinion No. O-2735  
Re: Aransas Pass tax grant

In your letter of September 11, 1940, you request us to advise you whether or not you should instruct the Tax Assessor-Collector in San Patricio County to begin paying the City of Aransas Pass five-ninths of the net amount of State ad valorem taxes collected in said county subsequent to September 1, 1940.

The Act passed by the Third Called Session of the Thirty-sixth Legislature as well as the Act passed by the Forty-sixth Legislature, the last Act being House Bill No. 161, each provide that: "The monies herein and hereby granted and donated to the City of Aransas Pass are declared to be trust funds for the purpose of aiding the City of Aransas Pass in paying the interest upon and principal of, and providing sinking fund for payment thereof, bonds theretofore or hereafter issued, the proceeds of which bonds were to be or are to be used exclusively in constructing and maintaining seawalls, breakwaters, and other shore protections, including wharves forming part or parts of same, or out into Red Fish Bay, and to fill in the space between the shore and such seawalls, breakwaters, other shore protections, and wharves in order that said City be removed from calamitous overflows and for the purpose of aiding the City of Aransas Pass in paying the interest upon and principal of, and providing sinking fund for payment thereof, bonds heretofore or hereafter issued to refund any bonds that have been or are so issued. The use and diversion of such monies for any other purpose whatsoever is hereby prohibited; . . . provided further that when the sinking fund created under the provisions of this Act shall become sufficient to retire all bonds referred to herein, the Act shall cease to operate and the donation herein made shall cease."

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There was submitted to this department by the City Secretary and Treasurer of the City of Aransas Pass on August 14, 1940, an application for refunding bonds in the sum of Eleven Thousand Dollars (\$11,000.00) to become due and payable October 1, 1940. As revealed by the record in said case there was then on hand in the sinking fund created under the Act as passed by the Thirty-sixth Legislature a sufficient sum of money to retire all outstanding bonds including the Eleven Thousand Dollar Refunding Bonds requested and that were issued at said time. There have been no bonds of Aransas Pass submitted to this department since said date, and since from said record it is apparent that there is sufficient money in the sinking fund created under the Act by the thirty-sixth Legislature to retire all outstanding bonds voted thereunder, said Act by virtue of its own terms ceases to be operative and the donations therein made have ceased.

You are, therefore, advised that in the opinion of this department you should direct the Tax Assessor-Collector to pay all State ad valorem taxes collected in San Patricio County not required to pay the outstanding bonds issued under said Act to the Treasurer of the State of Texas as required by law.

Yours very truly

ATTORNEY GENERAL OF TEXAS

BY *George W. Barcus*  
George W. Barcus  
Assistant

GWP:LV

APPROVED 9, 1940

*Gerald B. Mann*  
ATTORNEY GENERAL OF TEXAS

