

POPE AND GREENE
ATTORNEYS AT LAW
THE BELFAST BUILDING
NEWBERRY, SOUTH CAROLINA

April 7th, 1954

#7827

TELEPHONE

Deed Book 497, page 295

THOMAS H. POPE
FELIX S. GREENE, JR.
ROBERT D. SCHUMPERT

March 30, 1954

Fairfield Forest Products Company
Newberry, South Carolina

Gentlemen:

Receipt is acknowledged of your query as to whether documentary stamps must be affixed to the deeds of conveyance from Fairfield Forest Products Company to The Champion Paper and Fibre Company.

The Champion Paper and Fibre Company owns one hundred per cent of the capital stock of Fairfield Forest Products Company. On March 31, 1954, Champion will surrender all of its stock for cancellation by its subsidiary and the subsidiary will convey to Champion in exchange therefor all real estate owned by the subsidiary.

According to 1954 Federal Tax Regulations such conveyances are not subject to Federal documentary stamp tax. See Section 113-83 which specifically provides that no tax is due where the conveyance of realty by a corporation in dissolution is made solely in exchange for the cancellation and retirement of its capital stock.

I may also add that the South Carolina Tax Commission has given a similar ruling as to the non-applicability of the South Carolina documentary stamp tax.

Very truly yours,

POPE AND GREENE

By

Thomas H. Pope

THP/mf