

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SECOND LEGISLATURE

Legislative Document

No. 1318

H. P. 980

House of Representatives, February 19, 1965

Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

JEROME G. PLANTE, Clerk

Presented by Mr. Benson of Southwest Harbor.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-FIVE

AN ACT Providing State Tax on Deed Transfers.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 36, c. 714, additional. Title 36 of the Revised Statutes is amended by adding a new chapter 714 to read as follows:

CHAPTER 714

STATE TAX ON DEED TRANSFERS

§ 4711. Excise taxes on deeds administered

The assessment and collection of all excise taxes on deeds, instruments and writings and the enforcement and administration of all the provisions of the law relating thereto shall be vested in the State Tax Assessor.

§ 4712. Conveyances taxable; exemptions

There shall be levied, collected and paid, for and in respect of the deeds, instruments and writings hereinafter mentioned and described, the excise taxes herein specified: Deed, instrument or writing, whereby any realty sold shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration of the interest or property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale does not exceed \$500, 55¢; and for each additional \$500 or fractional part thereof, 55¢. This section shall not apply to any instrument or writing given to secure a debt.

§ 4713. Payment of tax

The tax imposed by this chapter shall be paid by the person who makes or

signs the deed, instrument or writing, or for whose benefit the same is made or signed. The word "person", for the purposes of this chapter only, does not include the state and political subdivisions thereof.

The payment of the tax shall be evidenced by adhesive stamps affixed to the face of the deed, instrument or writing. The person using or affixing the stamp shall write or stamp thereon the initials of his name and the date when the same is affixed or used so that it cannot be used again; provided, however, that the stamp shall not be so defaced as to prevent determination of its denomination, date of issue, and genuineness.

§ 4714. Stamps

Adhesive stamps for the purpose of paying the excise under this chapter shall be prepared by the State Tax Assessor in such form, of such denominations, and in such quantities as he may prescribe. He shall make provision for the sale of such stamps in such places and at such times as he deems necessary. He shall provide for the custody of the stamps, metering devices, and other materials and things used in the manufacture of said stamps in such manner as he deems expedient.

The State Tax Assessor may cause to be installed in any registry of deeds one or more metering machines, so-called, through which said adhesive stamps can be sold and may remove any such machine if he deems it expedient. Upon the installation of such a metering machine or machines the register of deeds of said registry shall sell stamps from said metering machines to persons requiring the same for affixation to instruments in accordance with the provisions of this chapter.

§ 4715. Duties of registers of deeds

The register of deeds shall not accept a deed, instrument or writing, taxable under this chapter, for recording unless stamps have been properly affixed to the face of the deed and cancelled.

Each register of deeds shall on or before the 10th day of each month account to the State Tax Assessor on a form prescribed and furnished by him for all sales made by said register during the preceding calendar month and shall turn over to the State Tax Assessor all moneys received from said sales, less any adjustments approved by him.

The machines shall, upon installation, be sealed by the State Tax Assessor, and he or his duly appointed agent or agents shall take readings of the said machines at such times and in such manner as he shall direct.

Each register of deeds, in whose registry there has been installed a metering machine, shall give to the State Tax Assessor a bond, written by a surety company qualified to do business in Maine in a sum and with sureties approved by the State Tax Assessor, conditioned satisfactorily to account for money received by said register in his official capacity from the sale of said stamps. The premium or reimbursement for the premium of such bond shall be paid by the Treasurer of State upon certification by the State Tax Assessor.

§ 4716. Refund of tax

If any stamps have been erroneously affixed, the State Tax Assessor, upon presentation of a claim for the amount of such stamps, and upon the production of evidence satisfactory to him that such stamps were affixed erroneously so as to cause loss to the persons making the claim by said amount, or such part thereof as he may allow, shall certify the amount so erroneously paid, and the Treasurer of State shall pay said amount without any appropriation therefor. Such claims shall be presented to the State Tax Assessor in writing duly verified, shall state the full name and address of the claimant, the date of erroneous affixing and the face value and date of issue of the stamps, shall describe the document to which the stamps were affixed and shall contain such evidence as may be available upon which the demand for repayment is based. Claims based on erroneous affixation shall be presented within 90 days after the alleged affixing. Unused stamps may be redeemed by the State Tax Assessor provided proper claim is made within 3 years of date of issue of the stamps surrendered for redemption. Only unused and undamaged stamps clearly identifiable as to denomination and date of issue shall be acceptable for redemption. If the State Tax Assessor rejects a claim or any part thereof the claimant may, within 30 days after the date of rejection, appeal to the Superior Court in any county where the claimant resides. Jurisdiction is granted to the Superior Court to hear and determine such appeals and to enter such order and decree as the case requires. If the court grants any repayment to the claimant, the amount of the repayment shall be certified by the court to the State Tax Assessor.

§ 4717. Recovery of tax

The excise imposed by this chapter may be recovered by a complaint filed in Kennebec County Superior Court in the name of the State.

§ 4718. Penalties

At any time after the making of a conveyance or transfer subject to the excise imposed by this chapter, the State Tax Assessor may investigate and ascertain whether said excise, in the proper amount, was paid. For this purpose, the State Tax Assessor may examine any books, papers, records or memoranda bearing upon the amount of excise payable, and may enforce by mandamus his right to such examination. Whoever refuses to permit the State Tax Assessor, or any of his agents or representatives, to inspect such books, papers, records or memoranda, or fails to preserve the same for 2 years, or alters, cancels or obliterates any part thereof, or makes any false entry therein, shall be punished by a fine of not less than \$500 nor more than \$1,000, or by imprisonment for not less than 3 months nor more than one year, or by both.

Any person knowingly making a false affixation of stamps on deeds or other instruments provided for by this chapter for the purpose of defrauding the State shall be punished by a fine of not less than \$500 nor more than \$1,000, or by imprisonment for not more than one year, or both.

Whoever willfully removes or alters or knowingly permits to be removed or altered the cancelling or defacing mark of any stamp provided for by this chapter with intent to use such stamp, or knowingly or willfully buys, prepares for

use, uses, has in possession, or suffers to be used, any washed, restored or counterfeit stamps, or whoever intentionally removes or causes to be removed, or knowingly permits to be removed, any stamp affixed pursuant to this chapter, shall be punished by a fine of not less than \$500 nor more than \$1,000, or by imprisonment for not more than one year, or both.

Whoever fraudulently makes use of an adhesive stamp to denote the payment of the excise imposed by this chapter, without effectually cancelling it in accordance with section 4713, shall be punished by a fine of not less than \$200 nor more than \$500.

§ 4719. Taxes retained by the State

The taxes provided by this chapter shall be retained by the State and credited to the General Fund.'

Sec. 2. Appropriation. There is appropriated from the General Fund to the Bureau of Taxation to carry out the purposes of this Act the sum of \$28,335 for the fiscal year ending June 30, 1966 and the sum of \$14,400 for the fiscal year ending June 30, 1967; the breakdown of which shall be as follows:

	1965-66	1966-67
BUREAU OF TAXATION		
Personal Services	\$ 2,000	\$ 2,000
All Other	6,800	6,800
Capital Expenditures	19,535	5,600
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	\$28,335	\$14,400