

MAINE STATE LEGISLATURE

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SPECIAL SESSION

E I G H T Y - E I G H T H L E G I S L A T U R E

Legislative Document

No. 1104

H. P. 1928

House of Representatives, October 27, 1937.

Referred to Committee on Taxation and 500 copies ordered printed. Sent up for concurrence.

HARVEY R. PEASE, Clerk.

Presented by Mr. Leonard of Hampden.

S T A T E O F M A I N E

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-SEVEN

AN ACT to Raise an Excise Tax on Corporations Organized for Making, Generating, Selling, Distributing and Supplying Electricity or Electric Current for Power, Lighting, Heating, Manufacturing or Mechanical Purposes.

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

Sec. 1. Certain public utilities to make reports. Every public service corporation doing business in this state and under the jurisdiction of the public utilities commission and organized for making, generating, selling, distributing and supplying electricity or electric current for power, lighting, heating, manufacturing; or mechanical purposes, incorporated under the laws of the state or by special act of the legislature, or doing business therein, shall annually, between the 1st and 15th days of April in each year, return to the secretary of state under oath of its treasurer, the amount of the capital stock of the corporation, both common and preferred; the number and par value of the shares; a complete list of its shareholders, with their places of residence, and the number of shares belonging to each, on said 1st day of April.

Sec. 2. Excise tax imposed. Every public service corporation as above defined in section 1, organized for making, generating, selling, distributing and supplying electricity or electric current for power, lighting, heating,

manufacturing or mechanical purposes, incorporated under the laws of the state or by special act of the legislature or doing business in said state, operating any such public service corporation in this state under lease or otherwise, shall pay to the treasurer of state for the use of the state an annual excise tax for the privilege of exercising its franchises and the franchise of its dams, power stations, power and transmission lines, boards and other property, and which said annual excise tax shall be in addition to all taxes upon such public service corporations, their property or stock.

Sec. 3. Shall file certain statements; tax assessed. Every such public service corporation as defined in section 1 of this act and under the jurisdiction of the public utilities commission, shall file with said public utilities commission on the 1st day of January in each year a statement under oath of the total number of kilowatt hours of electricity or electric current sold during the preceding 12 months and the gross income received therefor and the public utilities commission shall report the same to the state tax assessor on or before the 1st day of February following.

The said tax shall be computed at 4% of the gross income as reported under the provisions of this act and the tax against each public service corporation herein described shall be 4% of the gross income received by said public service corporation during the preceding 12 months.

Sec. 4. State tax assessor to report tax. The state tax assessor on or before the 1st day of April in each year, shall determine the amount of such tax and report the same to the treasurer of state, who shall forthwith give notice thereof to the public service corporation upon which the said tax is levied.

Sec. 5. Tax, when payable. Said tax shall be payable to the treasurer of state for the use of the state, $\frac{1}{2}$ on the 1st day of July next after the levy is made, and the other $\frac{1}{2}$ on the 1st day of October following. Said tax shall be a lien on all the property of any such public service corporation herein taxed and takes precedence over all other liens and encumbrances.

Sec. 6. Abatement, proceedings thereon. Any public service corporation aggrieved by the action of the state tax assessor through error or mistake in determining the said tax, may apply for abatement of any such excessive tax to the state tax assessor on or before the 1st day of May in each year, and if, upon hearing and examination, the tax appears to be excessive through such error or mistake, the state tax assessor shall thereupon abate such excess and the amount so abated shall be deducted from any tax due and unpaid from such public service corporation, upon which the excessive tax was assessed, and if there is no such unpaid tax, the governor and coun-

cil shall draw a warrant for the abatement to be paid from any money in the treasury not otherwise appropriated.

Sec. 7. Further powers of commission. If the returns required by law in relating to such public service corporation are found insufficient to furnish the basis upon which the tax should be levied, the public utilities commission shall require such additional facts in the returns as may be found necessary, and until such returns are so required, or in default of such returns when required, the state tax assessor shall act upon the best information he may obtain. The public utilities commission shall have access to the books of any such public service corporation to ascertain if such returns are correctly made and any such public service corporation operating any such public service corporation as defined in section 1 of this act in the state, which refuses or neglects to make returns required by law or to exhibit to the public utilities commission its books for the purposes aforesaid, or makes returns which the president, clerk, treasurer or other person certifying such returns knows to be false, forfeits not less than \$1000 nor more than \$10,000, to be recovered by indictment or by an action of debt in any county in which such public service corporation conducts any of its service.

Sec. 8. Exceptions. The provisions of this act shall not apply to municipal corporations selling electricity or electric current for power, lighting, heating, manufacturing or mechanical purposes and to corporations whose gross income from the sale of electricity or electric current as set forth in section 3 of this act, does not exceed \$50,000.