

MAINE STATE LEGISLATURE

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

Legislative Document

No. 1303

H. P. 1155

House of Representatives, March 5, 1953.

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

HARVEY R. PEASE, Clerk.

Presented by Mr. Albert of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-THREE

**AN ACT to Authorize Bonds in the Amount of Fourteen Million Dollars
for Bonus to Maine Veterans of World War II and Korean Campaign
and to Repay Bonds by Additional Cigarette and Tobacco Taxes.**

Preamble. Two-thirds of both houses of the legislature deeming it necessary in accordance with section 14 of article IX of the constitution; to authorize the issuance of bonds on behalf of the state of Maine for the purpose of paying a bonus to Maine veterans of World War II and the Korean campaign;

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

TITLE I

Bond Issue

Sec. 1. Bond issue of \$14,000,000 authorized. The treasurer of state is hereby authorized, under the direction of the governor and council, to issue bonds from time to time as they are needed, to an amount not exceeding in the aggregate \$14,000,000. Such bonds shall be designated "Maine Military Service Loan, Act of 1953," shall mature not more than 10 years from the date thereof, and shall bear such rate of interest, and be in such form and on such terms and conditions, not inconsistent herewith, as the

governor and council may determine. Such bonds shall contain such callable features as the governor and council shall determine. Such bonds shall be issued in the name and behalf of the state, and shall be deemed a pledge of the faith and credit of the state. The proceeds of the sale thereof shall be credited to a fund hereby created, which fund shall be known as "The Veterans' Bonus Fund," and from which the payments authorized by Title III shall be made.

Sec. 2. Contingent upon ratification of bond issue. No action shall be taken or liability incurred under this act unless and until the people of Maine shall have ratified the issuance of bonds on behalf of the state at such time and in such amounts as set forth in this act for the purpose of paying a bonus to Maine veterans of World War II and the Korean Campaign.

Sec. 3. Referendum for ratification. The aldermen of cities, the selectmen of towns and the assessors of the several plantations of this state are hereby empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of senators and representatives, at the next general or special state-wide election, to give in their votes upon the acceptance or rejection of the foregoing act, and the question shall be: "Shall a bond issue be ratified for the purposes set forth in 'An Act to Authorize Bonds in the Amount of Fourteen Million Dollars for Bonus to Maine Veterans of World War II and Korean Campaign and to Repay Bonds by Additional Cigarette and Tobacco Taxes,' passed by the 96th Legislature?"

And the inhabitants of said cities, towns and plantations shall indicate by a cross or check mark placed within a square upon their ballots their opinion of the same, those in favor of said ratification voting "YES" and those opposed to said ratification voting "NO" and the ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings, and return made to the office of the secretary of state in the same manner as votes for governor and members of the legislature, and the governor and council shall count the same and if it shall appear that a majority of the inhabitants voting on the question are in favor of said act, the governor shall forthwith make known the fact by his proclamation, and the act shall thereupon become effective as of the date of said proclamation.

Secretary of state shall prepare ballots. The secretary of state shall prepare and furnish to the several cities, towns and plantations ballots and

blank returns in conformity with the foregoing act, accompanied by a copy thereof.

TITLE II Cigarette and Tobacco Tax

Sec. 1. R. S., c. 14, § 190, amended. Section 190 of chapter 14 of the revised statutes, as amended, is hereby further amended to read as follows:

'Sec. 190. Tax imposed. A tax is imposed on all cigarettes, cigars and tobacco products held in this state by any person for sale, said tax to be at the rate of ~~2~~ $2\frac{1}{2}$ mills per cigarette and at the rate of ~~20%~~ 25% upon the value of all cigars and tobacco products sold at retail, measured by the usual selling price, and the payment thereof to be evidenced by the affixing of stamps to the packages containing the cigarettes, cigars and tobacco products, as hereinafter provided. Any cigarette, cigar or tobacco product on which a tax has been paid, such payment being evidenced by the affixing of such stamp, shall not be subject to a further tax under the provisions of sections 186 to 205, inclusive. Nothing contained in said sections shall be construed to impose a tax on any transaction, the taxation of which by this state is prohibited by the constitution of the United States.

Each unclassified importer shall, within 24 hours after receipt of any unstamped cigarettes, cigars and tobacco products in this state, notify the tax assessor of the number of cigarettes, cigars and tobacco products received, and the name and address of consignor. The tax assessor thereupon shall notify the unclassified importer of the amount of the tax due thereon, which shall be at the rate of ~~2~~ $2\frac{1}{2}$ mills per cigarette and at the rate of ~~20%~~ 25% of the retail value of all cigars and tobacco products. Payment of the amount due the state shall be made within 10 days from mailing date of notice thereof.'

Sec. 2. Use of proceeds. The proceeds derived from the additional taxes under the provisions of section 1 of Title II shall be paid into the general fund and expended to repay the bonds provided for in Title I. The amounts necessary to pay said bonds as they mature, and the interest as it accrues, shall be raised from taxes collected under the provisions of Title II. Beginning April 1, 1955 and for each and every succeeding year for 9 years, there shall be raised from such taxes a sum sufficient for the redemption of such bonds to an amount not exceeding \$1,500,000 per year and such additional sum as may be required for the payment of interest on all such bonds outstanding.

TITLE III**Bonus**

Sec. 1. Veterans in World War II and Korean Campaign entitled to bonus. In order to promote the spirit of patriotism and loyalty, in testimony of the gratitude of the state of Maine, and in recognition of the splendid services of Maine men and women in World War II and the Korean Campaign, as hereinafter defined, shall be entitled to receive from the state of Maine, from a fund hereinafter created and called "The Veterans' Bonus Fund," sums hereinafter designated.

Sec. 2. The word "veteran" defined. The word "veteran" as used in this title shall mean any male or female officer, soldier, sailor, marine, nurse or any other person regularly enlisted or inducted, who has been a part of the military or naval forces of the United States in World War II at least 6 months between December 8, 1941 and August 14, 1945, inclusive, or between June 15, 1950 until such date as the United States concludes its participation in hostilities in Korea, unless honorably discharged for physical disability incident to such service, and who was a resident of the state of Maine for a period of at least 1 year prior to the time he or she was commissioned, enlisted, inducted, appointed or mustered into the military or naval service of the United States, and who has been or may be given an honorable discharge or release from such service.

Sec. 3. Amount of bonus. Payments under this act shall be made to veterans, as heretofore defined, in sums as follows:

I. One hundred dollars to each veteran who performed active service for more than 6 months but less than 1 year, but served no part thereof in Alaska or in any place outside the continental limits of the United States;

II. One hundred fifty dollars to each veteran who performed active service for more than 1 year, but served no part thereof in Alaska or in any place outside the continental limits of the United States;

III. Two hundred dollars to each veteran who performed active service outside the continental limits of the United States or in Alaska.

Sec. 4. Application for bonus, when and where filed; what application shall contain. Applications for such bonus shall be filed with the adjutant-general, on forms provided by him, within 6 months from the date this act goes into effect; or, in the case of an applicant whose final discharge from service is received after the date this act goes into effect, within 6 months after the date of such discharge. Such application shall state facts

sufficient to establish the status of such applicant as veteran as defined herein, and shall be duly verified.

Sec. 5. "Veterans' Bonus Board" created; powers and duties. There is hereby created a board to be known as "The Veterans' Bonus Board," to consist of the director of veterans' affairs, the treasurer of state and the adjutant-general. It shall be the duty of the said board to examine into such applications and make any other examination necessary to establish facts, and approve or disapprove the same. Whenever any such application is approved by said board, it shall be the duty of the adjutant-general to prepare a voucher and transmit the same to the state controller; said state controller shall issue his warrant therefor, for the amount stated therein, and the treasurer of state shall pay the same upon the approval of the governor and council out of said Veterans' Bonus Fund. The board shall have the authority to determine the date when bonus payments shall commence.

Sec. 6. Board authorized to employ assistance for administration. The Veterans' Bonus Board is hereby empowered, subject to the provisions of the personnel law, to employ such assistance and, with the approval of the governor and council, to incur such other expense as may be necessary for the administration and the carrying out of the provisions of this title; and the funds necessary for such administration and carrying out of the provisions of this title shall be expended from said Veterans' Bonus Fund.

Sec. 7. In case of decease of veteran, bonus to be paid to dependents; order of precedence; bonus not subject to assignment nor to claims of creditors. In case of the decease of any person who would, if alive, be entitled to the benefits of this title, the sums herein named shall be paid in cash to his or her dependents, if any, and otherwise to his or her heirs-at-law; provided that if there is more than 1 dependent or heir-at-law, payment shall, in either case, be made in such proportions as the said Veterans' Bonus Board shall determine, and in determining the order of precedence the following order, so far as practicable, shall be observed: spouse and children, mother or father, brother or sister, other dependents; provided, however, that no right or payment under this title shall be subject to the claims of creditors, capable of assignment and no assignment of the same shall be valid or binding, regarded as assets, legal or equitable, of the estate of the deceased, or made the basis for administration thereof.

TITLE IV

Conditional upon adoption of constitutional amendment. This act shall take effect only under the provisions of section 2 of Title I and upon the

adoption of the proposed amendment to section 14 of article IX of the constitution providing for the payment of a bonus to Maine veterans of World War II and the Korean Campaign.