

MAINE STATE LEGISLATURE

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

Legislative Document

No. 4

S. P. 20

In Senate, January 11, 1955.

Referred to the Committee on Taxation, sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Low of Knox.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

**AN ACT to Provide Credit or Refund for Tobacco Tax Stamps and Correcting
Error in Discount for Tobacco Tax Stamps.**

Emergency preamble. Whereas, under the provisions of chapter 408 of the public laws of 1953 cigarette stamps, sold to licensed distributors by the State Tax Assessor, are to be sold at a discount of 4% of their face value; and

Whereas, at the Special Session of the Legislature held in September 1954, the tax on cigars and tobacco products was repealed; and

Whereas, in the legislation which repealed the tax on cigars and tobacco products no provision was made for the redemption of unused tobacco tax stamps or of tobacco tax stamps affixed to unsold cigars and tobacco products on hand as of the close of business on December 31, 1954; and

Whereas, in the legislation which repealed the tax on cigars and tobacco products the cigarette tax discount was lowered through error from 4% to 3½%; and

Whereas, unless the following legislation is immediately enacted great hardship will be imposed on certain Maine citizens contrary to the provisions of the law which existed prior to the above-mentioned error; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. R. S., c. 16, § 205, amended. Section 205 of chapter 16 of the revised statutes, as amended, is hereby further amended to read as follows:

'Sec. 205. Assessor to provide stamps. The Tax Assessor shall secure stamps, of such design and denomination as he shall prescribe, suitable to be af-

fixed to packages of cigarettes ~~cigars and tobacco products~~ as evidence of the payment of the tax imposed by the provisions of sections 200 to 221, inclusive. To licensed distributors he shall sell such cigarette stamps at a discount of ~~3 1/2%~~ 4% of their face value ~~and stamps for cigars and tobacco products at a discount of 7% of their face value.~~ To licensed dealers he shall sell all stamps at face value. The face value of the stamps when affixed shall be considered as part of the cost of the merchandise. The Assessor may, in his discretion, permit a licensed distributor or licensed dealer to pay for such stamps within 30 days after the date of purchase, provided a bond satisfactory to the Assessor in an amount not less than the sale price of such stamps shall have been filed with the Assessor conditioned upon payment for such stamps. He shall keep accurate records of all stamps sold to each distributor and dealer and shall pay over all receipts from the sale of stamps to the Treasurer of State daily.'

Sec. 2. Redemption of stamps. The State Tax Assessor shall redeem any unused, uncanceled tobacco tax stamps presented by any licensed distributor or dealer at a price equal to the amount paid therefor by such distributor or dealer. No tobacco tax stamps shall be redeemed under the provisions of this section unless presented to the State Tax Assessor for that purpose on or before June 30, 1955.

Sec. 3. Credit or refund. The State Tax Assessor may upon proof satisfactory to him give credit for or refund at face value tobacco tax stamps affixed to unsold stocks of tobacco products in the hands of any licensed distributor or dealer as of the close of business on December 31, 1954.

The State Tax Assessor may allow credit or refund under this section with respect to tobacco tax stamps affixed to opened boxes of cigars. For the purposes of this section the value of stamps affixed to opened boxes of cigars shall be deemed to be that proportion of the total value of the stamp or stamps affixed to each opened box of cigars that the number of cigars remaining unsold in the box is of the total number of cigars originally packed in the box.

Application for credit or refund under this section shall be upon forms furnished by the State Tax Assessor. No credit or refund shall be granted under this section unless such application is filed in the office of the State Tax Assessor on or before February 15, 1955.

Sec. 4. Funds. The Treasurer of State shall provide out of money collected from the tax on cigarettes, cigars and tobacco products, the funds necessary for redemption or refund under sections 2 and 3.

Emergency clause. In view of the emergency cited in the preamble, this act shall take effect when approved.