

# MAINE STATE LEGISLATURE

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REVISED STATUTES  
OF THE  
STATE OF MAINE

1954

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1955 SUPPLEMENT

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ANNOTATED

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IN FIVE VOLUMES

VOLUME 1

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**Place in Pocket of Corresponding  
Volume of Main Set**

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THE MICHIE COMPANY  
CHARLOTTESVILLE, VIRGINIA  
1955

and to keep a complete record of each vehicle weighed by him, and he shall send a copy of each such record, prior to the close of the month following that during which the weighing took place, to the chief of the state police who shall file the same as a public record. Forms for making such records shall be prepared by the chief of the state police and by him furnished, together with a copy of sections 8 to 13, inclusive, to all state police officers. (R. S. c. 13, § 12. 1955, c. 88, § 5.)

**Effect of amendment.**—The 1955 amendment substituted “vehicle” for “truck” in the first and second sentences. The first sentence and deleted references to

**Sec. 19-A. Courts to submit criminal records.**—Every court and trial justice in every case wherein a person is convicted of the violation of any criminal statute shall forthwith transmit to the state bureau of identification an abstract, duly certified, setting forth therein the names of the parties, the nature of the offense, the date of hearing, the plea, the judgment and the result. For this purpose the state bureau of identification shall furnish to said courts proper abstract forms. (1955, c. 120.)

## Chapter 16.

### Department of Finance and Administration. Accounts and Control. Purchasing. Taxation.

Sections 77-A to 77-D. Assessment of State Property Taxes.

Sections 200-221. Cigarette Tax.

#### Commissioner of Finance and Administration. Bureau Chiefs.

**Sec. 1. Commissioner of finance and administration; bureau chiefs; appointment; duties; employees; salaries.**

The commissioner of finance and administration shall have the duty and authority:

**I.** To serve as the principal administrative and fiscal aide to the governor.

**II.** To serve as budget officer and supervise development and execution of the biennial budget.

**III.** To coordinate financial planning and programming activities of departments for review and action by governor and council.

**IV.** To constantly review the administrative activities of other departments and agencies of the state, study organization and administration, investigate duplication of work and to formulate plans for better and more efficient management, and to report periodically to the governor and on request to the legislature.

**V.** To prepare and report to the governor or to the legislature such financial data or statistics which may be required or requested by them.

**VI.** To supervise and direct the activities of the departments or the bureaus which may by statute be designated as being under the department of finance and administration.

**VII.** To develop over-all long range capital improvement programs for all agencies of the state government and present recommendations to the governor and the legislature for the implementation and financing of such programs. (1955, c. 456, § 1.)

The commissioner of finance and administration shall also perform such other duties as heretofore have been designated by statute. (R. S. c. 14, § 1. 1953, c. 265, § 1. 1955, c. 456, § 1.)

**Effect of amendment.**—The 1955 amendment added subsection VII to the third paragraph. As the first and second paragraphs of this section were not changed by the amendment, they are not set out.

**Bonds of State Officials and Employees.**

**Sec. 2. Bonds of state officials and employees.**—All state officials and employees shall be bonded. The insurance commissioner shall select and prescribe the forms and types of bond, subject to the approval of the governor and council. Such bonds may be in a blanket or comprehensive form, so called, and for such an amount or amounts as may be determined by the state auditor and the commissioner of finance and administration with the approval of the governor and council. Provided, however, in event of inability to obtain a blanket or comprehensive form, so called, a list shall be submitted annually to the governor and council for their approval, as recommended by the state auditor and commissioner of finance and administration, and designating such state officials and employees who in their discretion shall be bonded. The condition of any bond covering state officials and employees shall be to faithfully discharge the duties of the office or employment of such official or employee. All such bonds shall be deposited with the treasurer of state for safekeeping. (R. S. c. 14, § 2. 1947, c. 327, § 1. 1953, c. 265, § 2. 1955, c. 481, § 1.)

**Effect of amendment.**—The 1955 amendment repealed the former second paragraph, which provided that “The treasurer of state, his deputy and employees shall not be required to give bond under the provisions of this section.”

**Budget Officer and Budget.**

**Sec. 7. Powers and duties relating to budgeting.**—The state budget officer shall have the duty and the authority:

- I.** To prepare and submit to the governor, biennially, a state budget document in accordance with the provisions outlined in this chapter;
- II.** To examine and recommend for approval the work program and quarterly allotments of each department or agency of the state government, before the appropriations made for such agency shall become available for expenditure;
- III.** To examine and recommend for approval any changes in the work program and quarterly allotments of any department or agency during the fiscal year. (R. S. c. 14, § 7. 1953, c. 265, § 3. 1955, c. 405, § 7.)

**Effect of amendment.**—The 1955 amendment deleted the words “commissioner of finance and administration, as” after the word “The” at the beginning of this section.

**Sec. 12. Advisory committee on budget.**—There shall be an advisory committee on budget consisting of 3 members, one from each house of the legislature selected by the presiding officer thereof prior to October 1st of the even-numbered years. In each case the selection shall be, if practicable, the senior ranking member of the senate and house respectively of the committee on appropriations and financial affairs, who is to serve as a member of his respective branch of the next succeeding legislature, and these two shall select the 3rd member who shall be a member of the next succeeding legislature and a member of the minority party. The members of the committee shall be paid the necessary expenses incurred in the performance of their duties, and in addition thereto, they shall each receive \$15 per day for the time actually spent while the legislature is not in session. This committee shall meet with the governor, or the governor-elect, when so requested by him, during the preparation of the budget and shall advise with the governor or the governor-elect on any and all matters pertaining to the financial policy of the state government. The governor, however, shall be fully responsible for all budgetary recommendations made to the legislature. (R. S. c. 14, § 12. 1949, c. 99 1955, c. 416.)

**Effect of amendment.**—The 1955 amendment increased the compensation provided in the third sentence from \$5 to \$15 per day.

**Sec. 13. Form of appropriation bill.**—The general fund appropriation

bill provided for in section 9 shall be drawn so as to authorize the appropriation to be made to each department or agency of the state government for each fiscal year of the biennium. Such appropriation shall provide specific amounts for personal services, capital expenditures and amounts for other departmental expenses. Appropriations for the acquisition of property shall be in such detail under each department or agency as the governor shall determine; provided, however, that such appropriation shall not be segregated in greater detail than the major classes or projects for which they are expendable during each fiscal year of the biennium. (R. S. c. 14, § 13, 1955, c. 130, § 1.)

**Effect of amendment.**—The 1955 amendment, which became effective July 1, 1955, rewrote the first two sentences.

**Sec. 14. Work program and allotments.**—Not later than June 1st of each year, the governor shall require the head of each department and agency of the state government to submit to the department of finance and administration a work program for the ensuing fiscal year, such program shall include all appropriations made available to said department or agency for its operation and maintenance and for the acquisition of property, and it shall show the requested allotments of said appropriations by quarters for the entire fiscal year, classified to show expenditures requested for specific amounts for personal services, capital expenditures and amounts for other departmental expenses. The governor and council, with the assistance of the state budget officer, shall review the requested allotments with respect to the work program of each department or agency and shall, if they deem it necessary, revise, alter or change such allotments before approving the same. The aggregate of such allotments shall not exceed the total appropriations made available to said department or agency for the fiscal year in question. The state budget officer shall transmit a copy of the allotments as approved by the governor and council to the head of the department or agency concerned, and also a copy to the state controller. The state controller shall thereupon authorize all expenditures to be made from the appropriations on the basis of such allotments and not otherwise.

(1955, c. 130, § 2.)

**Effect of amendment.**—The 1955 amendment, which became effective July 1, 1955, added at the end of the first sentence the words "classified to show expenditures requested for specific amounts for personal

services, capital expenditures and amounts for other departmental expenses." As the rest of the section was not changed by the amendment, only the first paragraph is set out.

### Bureau of Accounts and Control. State Controller.

#### Sec. 29. Disbursements; weekly payment of salaries or wages.

Notwithstanding the provisions of the foregoing paragraph, the chairman of the Maine employment security commission is hereby authorized to prepare and sign warrants for the payment of benefits to eligible unemployed persons, which warrants shall, upon being countersigned by one other designated member of the commission and delivered to the payee, become a check against a designated bank or trust company acting as a depository of the state government. The authority of the chairman to prepare and sign such warrants is hereby limited solely to the payment of benefits to eligible unemployed persons. The facsimile signatures of the chairman of the commission and the designated member of the commission who are leaving office shall be valid until new signature plates for the signature herein authorized have been obtained for their successors.

(1955, c. 312, § 1.)

**Effect of amendment.**—The 1955 amendment added the above paragraph after the first paragraph of this section. As the rest

of the section was not changed, only the paragraph added by the amendment is set out.

### Annual Financial Statement.

#### **Sec. 33. Controller to prepare annual financial statement; newspaper publication.**

The controller shall publish a condensed summary of such report on or before September 5 of each year in all daily newspapers and in all weekly newspapers published in the state which are entered as second-class matter with the United States post office department and which are published regularly at least 52 times a year. Monthly newspapers may be used for this purpose upon authorization of the governor and council. Such condensed summary shall not require newspaper space in excess of a 6-column page or its equivalent. (R. S. c. 14, § 31. 1955, c. 398.)

**Effect of amendment.**—The 1955 amendment inserted the second sentence of the second paragraph. As the first paragraph was not changed by the amendment, it is not set out.

### Bureau of Purchases. State Purchasing Agent.

**Sec. 37.** Repealed by Public Laws 1955, c. 15.

**Sec. 38-A. Motor vehicles sold by state.**—Any motor vehicle sold by the state shall be sold to the highest bidder. Specific terms of delivery and terms of interim usage prior to delivery shall be stated to the prospective purchasers prior to the time that the state accepts any bid, and such terms shall be complied with by agents or employees of the state having control of the disposition of such motor vehicle or vehicles after any such bids have been accepted. This section shall not apply to exchange of motor vehicles for new models between the state and authorized dealers. (1955, c. 363.)

**Sec. 40-A. Products raised or manufactured in state.**—Where both bids and quality of goods are the same, preference shall be given to products raised or manufactured in the state and preference shall be given to Maine concerns selling such products and to concerns, selling such products, having a permanently established place of business in the state. (1955, c. 382.)

### Assessment of State Property Taxes.

**Sec. 77-A. State tax.**—For necessary expenses of state and local government, a tax is hereby assessed annually at the rate of  $7\frac{3}{4}$  mills on the dollar upon each municipality, township and each lot and parcel of land not included in any township in the state. The valuation as determined by the board of equalization, as set forth in the statement filed by said board as provided by section 67, shall be the basis for the computation and apportionment of the tax hereby assessed. (1955, c. 128.)

**Effective date.**—The act which inserted §§ 77-A to 77-D of this chapter became effective April 1, 1955.

**Sec. 77-B. Tax lists to be filed with treasurer; tax warrant of treasurer of state.**—As soon as practicable after April 1, annually, the state tax assessor shall file with the treasurer of state lists of the taxes provided by the preceding section. The treasurer of state shall as soon as practicable after April 1, annually, send his warrant with a copy of the lists named herein directed to the mayor and aldermen, selectmen or assessors of each municipality, taxed as aforesaid, requiring them respectively to assess, in dollars and cents, the sum so charged, according to the provisions of the law for the assessment of taxes and add the amount of such tax to the amount of county and town taxes, to be by them assessed in each municipality or other place respectively. (1955, c. 128.)

**Cross Reference.**—See note to § 77-A of this chapter.

**Sec. 77-C. Distribution of state tax to municipalities and apportionment thereof.**—The treasurer of state, in his said warrants, shall require the said mayor and aldermen, selectmen or assessors, respectively, to pay or to issue their several warrants requiring the collectors of their several municipalities to collect and pay to the treasurers of their respective municipalities the sums against said municipalities required by the provisions of sections 77-A to 77-D, inclusive.

The sum so collected in each municipality shall be paid when collected to the treasurer thereof to be by him disbursed for necessary expenses of local government as determined or appropriated by the legislative body of such municipality for the public welfare within the purposes specified in chapter 91, which chapter sets forth those purposes for the public welfare for which municipalities are themselves authorized to raise money by taxation.

The sum so collected from each township and each lot or parcel of land not included in any township in the state shall be disbursed by the treasurer of state to each township and each lot or parcel of land not included in any township which is assessed for school or highway purposes in an amount not to exceed  $\frac{3}{4}$  of the amount assessed for school and highway purposes and shall be credited to such purposes. (1955, c. 128.)

**Cross reference.**—See note to § 77-A of this chapter.

**Sec. 77-D. Payment of tax in town whose charters are surrendered.**—When the charter of any municipality listed in the statement filed with the secretary of state by the board of equalization under the provisions of section 67 is subsequently surrendered by act of the legislature, the tax hereby assessed shall be an outstanding obligation of such municipality, and it shall be paid, and funds for payment thereof shall be raised by the state tax assessor in the same manner as provided by law in the case of other outstanding obligations of such municipality. (1955, c. 128.)

**Cross reference.**—See note to § 77-A of this chapter.

### Taxation of Corporate Franchises.

**Sec. 106. Taxation and rate.**—Every corporation incorporated under the laws of this State, having a fixed capital, except such as are excepted by section 41 of chapter 53, shall pay an annual franchise tax of \$10, provided the authorized capital of said corporation does not exceed \$50,000; of \$20, provided said authorized capital exceeds \$50,000 and does not exceed \$200,000; of \$50, provided said authorized capital exceeds \$200,000 and does not exceed \$500,000; of \$100, provided said authorized capital exceeds \$500,000 and does not exceed \$1,000,000; and the further sum of \$50 for each \$1,000,000, or any part thereof in excess of \$1,000,000; also on all shares without par value; of \$10, provided the authorized number thereof does not exceed 250 shares; of \$20, provided said authorized number thereof exceeds 250 shares and does not exceed 1,000 shares; of \$40, provided said authorized number thereof exceeds 1,000 shares and does not exceed 3,000 shares; of \$50, provided said authorized number thereof exceeds 3,000 shares and does not exceed 5,000 shares; of \$100, provided said authorized number thereof exceeds 5,000 shares and does not exceed 10,000 shares; and the further sum of \$50 for each 10,000 shares, or any part thereof, authorized in excess of 10,000 shares. (R. S. c. 14, § 102. 1955, c. 359, § 7.)

**Effect of amendment.**—The 1955 amendment, which became effective July 1, 1955, doubled the tax rates throughout the section.

**Sec. 107. Taxes, how assessed, when due and payable.**—The secretary of state shall certify to the state tax assessor the corporate name, the name of the treasurer and the amount of authorized capital stock of each of such corporations and shall thus certify to the state tax assessor whenever a new corporation has been organized and whenever a change has occurred in the corporate name or

the name of the treasurer or the amount of authorized capital stock of a corporation already organized. The state tax assessor shall, on or before the 1st day of July, 1955 and annually thereafter, assess the tax provided by the preceding section upon the authorized capital stock of each of said corporations and shall thereupon notify each of said corporations of the amount of said tax assessed to it, and such tax shall become due and payable from said corporation to the state tax assessor on the 1st day of September thereafter. The state tax assessor shall pay over all receipts from such tax to the treasurer of the state daily. (R. S. c. 14, § 103. 1945, c. 42, § 1. 1949, c. 349, § 6. 1955, c. 359, § 8.)

**Effect of amendment.**—The 1955 amendment, which became effective July 1, 1955, inserted “1955 and” before the word “annually” and “thereafter” after the word “annually” near the beginning of the second sentence.

### Taxation of Telephone and Telegraph Companies.

**Sec. 125. Returns of corporations or persons operating telephone or telegraph lines.**—Every corporation, association or person operating in whole or in part a telephone or telegraph line for toll or other compensation within the state shall annually, on or before May 15th, return to the treasurer of state signed by the treasurer, clerk or secretary of the corporation, the amount of the capital stock of the corporation, the number and par value of the shares and a complete list of its shareholders resident within the state, with their places of residence and the number of shares belonging to each on the 1st day of April; if the line is operated by an association or person, the owner or owners or the members of the association, or one of them, shall annually make a return to the treasurer of state, on or before May 15th of the names and residences of the owner or owners, or members of an association, and the relative interest each owner has in the line so operated, or that each member has in any such association on the 1st day of April; provided that any corporation may include in its return a statement of the whole amount of its capital stock owned in the state and if no apportionment or payment is required to be made by the state to the several cities and towns under the provisions of section 127, it may exclude from its return the list of its shareholders resident within the state and the number of shares belonging to each. Such corporation, association or person shall also annually, between the 1st and 15th days of April, return to the state tax assessor, signed by its treasurer or its chief accounting officer if a corporation, or by the owner or owners, or by the members of an association or one of them, if a person or association, a statement of the total gross operating revenues of such corporation, association or person from its or his operations within this state during the preceding year ending December 31st. (R. S. c. 14 § 120 1945, c. 42, § 12. 1955, c. 410, § 1.)

**Effect of amendment.**—The 1955 amendment substituted the words “total gross operating revenues” for the words “gross receipts” and the words “from its or his operations” for the words “collected” in the last sentence. It also deleted the words “on account of its telephone and telegraph business” following the word “state” near the end of the last sentence.

**Sec. 128. Computation of tax.**—The amount of the annual excise tax on telephone and telegraph companies shall be ascertained as follows: when the total gross operating revenues of such corporation, association or person from its or his operations within this State during the calendar year preceding the year for which the tax is assessed on such corporation, association or person exceed \$1,000 and do not exceed \$5,000, the tax shall be  $1\frac{1}{4}\%$  of such total gross operating revenues; when such total gross operating revenues exceed \$5,000 and do not exceed \$10,000, the tax shall be  $1\frac{1}{2}\%$  of such total gross operating revenues; when such total gross operating revenues exceed \$10,000 and do not exceed \$20,000, the tax shall be  $1\frac{3}{4}\%$  of such total gross operating revenues; when such total gross operating revenues exceed \$20,000 and do not exceed \$40,000, the tax shall be  $2\%$  of such total gross operating revenues; and so on, increasing the rate of tax  $\frac{1}{4}\%$  of

1% for each additional \$20,000 or fractional part thereof, of such total gross operating revenues, provided that the rate shall in no event exceed 7% of such total gross operating revenues. (R. S. c. 14, § 122. 1955, c. 410, § 2.)

**Effect of amendment.**—The 1955 amendment rewrote this section, substituting “total gross operating revenues” for “gross receipts” throughout the section, increasing the maximum rate from 6% of gross receipts to 7% of total gross operating revenues and making other changes.

**Sec. 132. Tax to be in lieu of all taxes.**—The excise tax collected under the provisions of the 7 preceding sections shall be in lieu of all taxes upon any corporation therein designated, upon its shares of capital stock and its property including, without limiting the generality of the foregoing, poles, wires, conduits, cables, booths, central office equipment, and machinery or equipment incidental and peculiar to the business of such corporation whether located on or off its premises; provided, however, that the land and buildings thereon owned by such corporation, association or person shall be taxed in the municipality in which the same are situated. The assessment of taxes on such land and buildings shall be legal, whether assessed as resident or nonresident property. (R. S. c. 14, § 126. 1949, c. 349, § 8. 1955, c. 399, § 3.)

**Effect of amendment.**—The 1955 amendment inserted the part of the first sentence that begins with the word “including” in line four and ends with the word “premises” before the semicolon.

### Gasoline Tax.

**Sec. 160. Tax levied; rebates.**—An excise tax is levied and imposed at the rate of 7¢ per gallon upon internal combustion engine fuel sold or used within this state, including such sales when made to the state or any political subdivision thereof, for any purpose whatsoever, excepting, however, such internal combustion engine fuel sold or used in such form and under such circumstances as shall preclude the collection of this tax by reason of the provisions of the laws of the United States, or sold wholly for exportation from the state, or brought into the state in the ordinary standardized equipment fuel tank attached to and forming a part of a motor vehicle and used in the operation of such vehicle within the state; provided, however, that on the same fuel only one tax shall be paid to the state, for which tax the distributor first receiving the fuel in the state shall be primarily liable to the state, except when such fuel has been sold and delivered to another distributor in the state, in which case the purchasing distributor shall be primarily liable to the state for the tax; and provided further, that 6¢ of the tax so paid, and no more, upon such internal combustion fuel used in motor boats, in tractors used for agricultural purposes not operating on public ways, or in such vehicles as run only on rails or tracks, or in stationary engines or in the mechanical or industrial arts, shall be refunded as hereinafter provided; and provided further, that 8 mills of the tax so paid on fuel used in motor boats, which is not refunded under the provisions of section 166, shall be paid to the treasurer of state, to be made available to the commissioner of sea and shore fisheries for the purpose of conducting research, development and propagation activities by the department.

It is the responsibility of said commissioner to select activities and projects that will be most beneficial to the commercial fisheries of the state. (R. S. c. 14, § 160. 1947, c. 247; c. 349, § 1; c. 379, § 1. 1949, c. 349, § 9. 1955, c. 436, § 1.)

**Effect of amendment.**—The 1955 amendment substituted “7¢” for “6¢” in line two and “6¢” for “5¢” in line fourteen. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6 of the amendatory act provides: “No tax imposed by the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955.”

**Sec. 162. Distributor entitled to collect 7¢ additional.**—Each distributor paying or becoming liable to pay the tax imposed by sections 158 to 168, inclusive, shall be entitled to charge and collect 7¢ per gallon only as a part of the selling price of the internal combustion engine fuels subject to the tax. (R. S. c. 14, § 162. 1947, c. 349, § 2. 1955, c. 436, § 2.)

**Effect of amendment.**—The 1955 amendment substituted “7¢” for “6¢”. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6 of the amendatory act provides: “No tax imposed by

the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955.”

**Sec. 163. Rules and regulations; reports; assessment of tax.**—Every distributor shall on or before the last day of each month render a report to the state tax assessor stating the number of gallons of internal combustion engine fuel received, sold and used in the state by him during the preceding calendar month, on forms to be furnished by the state tax assessor. Such report shall contain such further information pertinent thereto as the state tax assessor shall prescribe and the state tax assessor may make such other reasonable rules and regulations regarding the administration and enforcement of the provisions of the gasoline tax act as he may deem necessary or expedient, copies of which shall be sent to distributors, and he or his duly authorized agent shall have access during reasonable business hours to the books, invoices and vouchers of the distributor which may show the fuel handled by the distributor. At the time of the filing of said report each distributor shall pay to the state tax assessor a tax of 7¢ upon each gallon so reported as sold, distributed or used and the state tax assessor shall pay over all receipts from such tax to the treasurer of state daily. If such report is not filed by the last day of the month such distributor shall be liable to a penalty of \$5 a day for each day in arrears, due on demand by the state tax assessor and recoverable in an action of debt. Each distributor shall, within 15 days after demand made on him by the state tax assessor, pay a tax of 7¢ per gallon upon each gallon of such fuel upon which the tax has not been paid, which upon an audit the state tax assessor may find to have been received into the state during the preceding year by the distributor and not properly accounted for in a distributor's report or in accordance with law. An allowance of not more than 1% from the amount of fuel received by the distributor, plus 1% on all transfers in vessels or tank cars by a distributor in the regular course of his business from one of his places of business to another within the state, may be allowed by the tax assessor to cover the loss through shrinkage, evaporation or handling sustained by the distributor; but the total allowance for such losses shall not exceed 2% of the receipts by such distributor and no further deduction shall be allowed unless the state tax assessor is satisfied on definite proof submitted to him that a further deduction should be allowed by him for a loss sustained through fire, accident or some unavoidable calamity. (R. S. c. 14, § 163. 1945, c. 31, § 2. 1947, c. 349, § 3; c. 379, § 2. 1949, c. 349, § 10. 1955, c. 436, § 3.)

**Effect of amendment.**—The 1955 amendment substituted “7¢” for “6¢” in the third and fifth sentences. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6 of the amendatory act provides:

“No tax imposed by the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955.”

**Sec. 166. Refund of 6/7 of tax collected in certain cases; time limit for application.**—Any person, association of persons, firm or corporation who shall buy and use any internal combustion engine fuel as defined in sections 158 to 168, inclusive, for the purpose of operating or propelling motor boats, tractors

used for agricultural purposes not operating on public ways, or in such vehicles as run only on rails or tracks, or in stationary engines, or in the mechanical or industrial arts, or for any other commercial use except in motor vehicles operated or intended to be operated upon any of the public highways of this state, or turnpikes operated and maintained by the Maine Turnpike Authority, or except, as provided in section 167, for the use in the operation of aircraft, and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by sections 158 to 168, inclusive, either directly by the collection of such tax by the vendor from such consumer, or indirectly by adding the amount of such tax to the price of such fuel and paid by such consumer, shall be reimbursed and repaid to the extent of 6/7 of the amount of such tax paid by him upon presenting to the state tax assessor a sworn statement accompanied by the original invoices showing such purchases, which statement shall show the total amount of such fuel so purchased and used by such consumer other than in motor vehicles operated or intended to be operated upon any of the public highways of the state and in the operation of aircraft.

Provided that applications for refunds as provided herein must be filed with the state tax assessor within 9 months from the date of purchase. (R. S. c. 14, § 166. 1945, c. 31, § 3. 1947, c. 101, § 1; c. 349, § 4. 1949, c. 349, § 11. 1951, c. 222. 1955, c. 436, § 4.)

**Effect of amendment.**—The 1955 amendment increased the amount of the refund from 5/6 to 6/7 of the tax paid. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6 of the amend-

atory act provides: "No tax imposed by the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955."

**Sec. 167. Provisions for refund of 3/7 of tax paid by users of aircraft.**—Any person, association of persons, firm or corporation who shall buy and use any internal combustion engine fuel as defined in sections 158 to 168, inclusive, for the purpose of operating aircraft, and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by sections 158 to 168, inclusive, either directly by the collection of such tax by the vendor from such consumer, or indirectly by adding the amount of such tax to the price of such fuel and paid by such consumer, shall be reimbursed and repaid to the extent of 3/7 of the amount of such tax paid by him upon presenting to the state tax assessor a statement accompanied by the original invoices showing such purchases. Provided that applications for refunds as provided herein must be filed with the state tax assessor within 9 months from the date of purchase. (1947, c. 349, § 4-A. 1955, c. 436, § 4-A.)

**Effect of amendment.**—The 1955 amendment increased the amount of the refund from 1/3 to 3/7 of the tax paid. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6 of the amend-

atory act provides: "No tax imposed by the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955."

## Use Fuel Tax.

### Sec. 170. Definitions.

"Person" shall mean and include natural persons and partnerships, firms, associations, corporations, both public and private, except municipalities.

(1955, c. 368, § 1.)

**Effect of amendment.**—The 1955 amendment substituted "except" for "and" before the word "municipalities" at the end

of the fifth paragraph. As the rest of the section was not changed by the amendment, only the fifth paragraph is set out.

**Sec. 172. Levy of tax and exemptions.**—An excise tax imposed on all users of fuel upon the use of such fuel by any person within this state, only when such fuel is used in an internal combustion engine for the generation of power to propel motor vehicles of any kind or character on the public highways or turnpikes operated and maintained by the Maine Turnpike Authority, at the rate of 7¢ per gallon, to be computed in the manner set forth in sections 173 to 187, inclusive; provided, however, that no tax is imposed upon the use of any fuel if the constitution of the United States or of this State precludes such tax. (R. S. c. 14, § 172. 1947, c. 101, § 2; c. 349, § 5. 1949, c. 349, § 12. 1955, c. 436, § 5.)

**Effect of amendment.**—The 1955 amendment increased the rate of the tax from 6¢ to 7¢ per gallon. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6 of the amendatory act provides:

“No tax imposed by the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955.”

**Sec. 174. Bond required of licensed users.**—Every user shall file with the state tax assessor a bond as follows: (1955, c. 368, § 2.)

**Effect of amendment.**—The 1955 amendment deleted the words “except a municipality following the word “user” near the beginning of the opening paragraph of this

section. As the rest of the section was not changed by the amendment, only the opening paragraph is set out.

**Sec. 182. Use fuel dealer license; reports; tax.**

At the time of the filing of said report each use fuel dealer shall pay to the state tax assessor a tax of 7¢ upon each gallon so reported as sold or used, and the state tax assessor shall pay over all receipts from such tax to the treasurer of state daily. If such report is not filed by the last day of the month such dealer shall be liable to a penalty of \$5 a day for each day in arrears, due on demand by the state tax assessor and recoverable in an action of debt.

Each dealer shall, within 15 days after demand made on him by the state tax assessor, pay a tax of 7¢ per gallon upon each gallon of such fuels upon which the tax has not been paid which, upon an audit, the state tax assessor may find to have been received into the state during the preceding year by the dealer and not properly accounted for in a dealer's report or in accordance with law.

Each dealer paying or becoming liable to pay the tax imposed by this section shall be entitled to charge and collect 7¢ per gallon only as a part of the selling price of the fuels subject to the tax. (1951, c. 289, § 2. 1955, c. 436 § 5-A.)

**Effect of amendment.**—The 1955 amendment substituted “7¢” for “6¢” in the third, fourth and fifth paragraphs. As the first and second paragraphs were not changed by the amendment, they are not set out. The amendatory act was made effective on its approval and became law by virtue of a two-thirds vote of the members of the legislature over the objections of the governor, May 21, 1955. Section 6

of the amendatory act provides: “No tax imposed by the provisions of this act shall be levied prior to June 1, 1955. With respect to internal combustion engine fuel as defined in section 159 of chapter 16 of the revised statutes, this act shall apply only to such fuel which the distributor shall sell, distribute or use on and after June 1, 1955.”

**Cigarette Tax.**

**Editor's note.**—The tax on cigars and tobacco products, formerly imposed by §§ 200-221, was repealed by P. L. 1953, c. 429, effective January 1, 1955, not codified. P.

L. 1953, c. 429, was repealed by P. L. 1955, c. 405, § 48, and in large part re-enacted by §§ 8-27 of the same act, which amended many of the sections of this subdivision.

**Sec. 200. Definitions.**—Whenever used in sections 200 to 221, inclusive, unless the context shall otherwise require, the following words and phrases shall have the following meanings:

“Dealer” shall mean any person other than a distributor, as defined herein, who is engaged in this state in the business of selling cigarettes;

“Distributor” shall mean any person engaged in this state in the business of producing or manufacturing cigarettes or importing into the state cigarettes at least 75% of which are purchased directly from the manufacturers thereof;

“Licensed dealer” shall mean a dealer licensed under the provisions of said sections;

“Licensed distributor” shall mean a distributor licensed under the provisions of sections 200 to 221, inclusive;

“Person” shall mean any individual, firm, fiduciary, partnership, corporation, trust or association, however formed;

“Sale” or “sell” shall include or apply to gifts, exchanges and barter;

“Sub-jobber” shall mean a wholesale dealer who does not qualify as a distributor;

“Tax assessor” or “assessor” shall mean the state tax assessor;

“Unclassified importer” shall mean any person, firm, corporation or association within the state, other than a licensed distributor, sub-jobber or dealer as defined, who shall import, receive or acquire from without the state, cigarettes for use or consumption within the state. (R. S. c. 14, § 186. 1945, c. 89, § 1. 1947, c. 377, § 1. 1953, c. 308, § 10. 1955, c. 405, § 8.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” after the word “cigarettes” wherever it appears in the definitions of “dealer,” “distributor” and “unclassified importer.” It also deleted a definition of “tobacco products.”

**Sec. 201. Dealers, unclassified importers and distributors to be licensed.**—Each person engaging in the business of selling cigarettes in this state, including any distributor or dealer, shall secure a license from the tax assessor before engaging in such business. A separate application and license shall be required for each wholesale outlet and for each retail outlet when a person shall own or control more than one place of business dealing in cigarettes. Each vending machine shall be considered a retail outlet. Such license shall be issued on forms prescribed by the assessor, and shall contain the name and address of the applicant, the address of the place of business and such other information as the assessor may require for the proper administration of the provisions of sections 200 to 221, inclusive. Each application for a wholesale outlet license shall be accompanied by a fee of \$25 and each such application for a retail outlet license shall be accompanied by a fee of \$1. Each application for a sub-jobber’s license, to be known as a “wholesale dealer’s license,” shall be accompanied by a fee of \$10. Each license so issued shall be prominently displayed on the premises covered by the license and in the case of vending machines there shall be attached to the same a disc or marker to be furnished by the assessor showing it to have been licensed. Each unclassified importer shall, before importing, receiving or acquiring cigarettes from without the state, secure a license from the tax assessor. There shall be no charge for a license issued to an unclassified importer. Any person who shall sell, offer for sale or possess with intent to sell any cigarettes, without a license as provided in this section, shall be punished by a fine of not more than \$25 for the 1st offense and not less than \$25, nor more than \$200, for each subsequent offense. Any unclassified importer who shall import, receive or acquire from without the state cigarettes for use or consumption within the state without a license as provided in this section shall be punished by a fine of not more than \$25 for the 1st offense and not less than \$25, nor more than \$200, for each subsequent offense. (R. S. c. 14, § 187. 1947, c. 377, § 2. 1949, c. 171, § 1; c. 409, § 1. 1953, c. 308, § 10. 1955, c. 405, § 9.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” wherever it appears in this section.

**Sec. 202. Validity of license.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 10.

**Sec. 203. Revocation of license.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 11.

**Sec. 204. Tax imposed.**—A tax is imposed on all cigarettes held in this state by any person for sale, said tax to be at the rate of  $2\frac{1}{2}$  mills for each cigarette and the payment thereof to be evidenced by the affixing of stamps to the packages containing the cigarettes as hereinafter provided. Any cigarette 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 200 to 221, 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 in this state, notify the tax assessor of the number of cigarettes 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  $2\frac{1}{2}$  mills per cigarette. Payment of the amount due the state shall be made within 10 days from mailing date of notice thereof. (R. S. c. 14, § 190. 1947, c. 377, § 5. 1949, c. 409, § 3. 1953, c. 308, § 10. 1955, c. 359, § 4.)

**Effect of amendment.**—The 1955 amendment, which became effective July 1, 1955, increased the rate of the tax on cigarettes from 2 to  $2\frac{1}{2}$  mills for each cigarette, and omitted provisions for the tax on "cigars and tobacco products," previously repealed by P. L. 1953, c. 429, not codified. See note immediately preceding § 200.

Section 6 of the 1955 amendatory act authorizes the state tax assessor to waive, for a period of not over seven days following the effective date of the act, payment of the additional tax by retail dealers with respect to stocks of cigarettes properly

stamped at the rate of 2 mills per cigarette sold during such period, provided such stocks were on hand as of the effective date of the act. Section 6 further provides that "cigarettes in the hands of retail dealers subsequent to the period of waiver provided for above, not properly stamped at the rate of  $2\frac{1}{2}$  mills per cigarette, shall be subject to confiscation under the provisions of section 211 of chapter 16 of the revised statutes; and such retailer shall be subject to any other penalties by law provided."

**Sec. 205. Assessor to provide stamps.**—The tax assessor shall secure stamps, of such design and denomination as he shall prescribe, suitable to be affixed to packages of cigarettes 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  $3\frac{1}{2}\%$  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. (R. S. c. 14, § 191. 1947, c. 377, § 6. 1951, c. 409. 1953, c. 308, § 10; c. 408. 1955, c. 1, § 1; c. 359, § 5.)

**Effect of amendments.**—The first 1955 amendment, which was made retroactive to January 1, 1955, deleted provisions relating to stamps for "cigars and tobacco

products" in the first and second sentences. It also increased to 4% the discount on cigarette stamp sales, which had been reduced from 4% to  $3\frac{1}{2}\%$  by P. L.

1953, c. 429, § 4, not codified. The discount was again reduced to 3½% by the second 1955 amendment, which became effective July 1, 1955. See note immediately preceding § 200.

Section 2 of the first 1955 amendatory act authorizes the state tax assessor to redeem unused, uncanceled tobacco tax stamps presented by any licensed distributor or dealer for that purpose on or be-

fore June 30, 1955. Section 3 of the same act authorizes the state tax assessor to give credit for or refund at face value tobacco tax stamps affixed to unsold stocks of cigars and tobacco products in the hands of a licensed distributor or dealer as of December 31, 1954, if application for such credit or refund is filed on or before February 15, 1955.

**Sec. 206. Dealers and distributors not to resell stamps; redemption.**—No distributor or dealer shall sell or transfer any stamps issued under the provisions of sections 200 to 221, inclusive. The assessor shall redeem any unused, uncanceled stamps presented by any licensed distributor or dealer, at a price equal to the amount paid therefor by such dealer or distributor and the said assessor may, upon proof satisfactory to him and in accordance with regulations promulgated by him, redeem, at a price equal to the amount paid therefor, Maine cigarette tax stamps affixed to packages of cigarettes which have become unfit for use and consumption, or unsalable, and the treasurer of state shall provide, out of money collected hereunder, the funds necessary for such redemption. (R. S. c. 14, § 192. 1947, c. 377 § 7. 1953, c. 308, § 10. 1955, c. 405, § 12.)

**Effect of amendment.**—The 1955 amendment deleted the words “or tobacco” after the word “cigarette” and the words “cigars and tobacco products” after the word “cigarettes” in the second sentence.

**Sec. 207. Distributors to affix stamps.**—Each distributor shall affix, or cause to be affixed, in such manner as the assessor may specify in regulations issued pursuant to the provisions of sections 200 to 221, inclusive, to each individual package of cigarettes sold or distributed by him, stamps of the proper denominations, as required by section 204. Such stamps may be affixed by a distributor at any time before the cigarettes are transferred out of his possession. (R. S. c. 14, § 193. 1947, c. 377, § 8. 1953, c. 308, § 10. 1955, c. 405, § 13.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” after the word “cigarettes” in the first sentence and the words “cigars or tobacco products” after the word “cigarettes” in the second sentence.

**Sec. 208. Dealers to affix stamps.**—Each dealer shall, within 72 hours after coming into possession of any cigarettes not bearing proper stamps evidencing payment of the tax imposed by sections 200 to 221, inclusive, and before selling such cigarettes, affix or cause to be affixed, in such manner as the assessor may specify in regulations issued pursuant to the provisions of said sections, to each individual package of cigarettes, stamps of the proper denomination as required by section 204. (R. S. c. 14, § 194. 1947, c. 377, § 9. 1953, c. 308, § 10. 1955, c. 405, § 14.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” in three places in this section.

**Sec. 209. Sale of unstamped cigarettes prohibited.**—No distributor shall sell, and no other person shall sell, offer for sale, display for sale or possess with intent to sell, any cigarettes which do not bear stamps evidencing the payment of the tax imposed by sections 200 to 221, inclusive, provided a licensed dealer may keep on hand unstamped cigarettes for a period not exceeding 72 hours. Any unstamped cigarettes in the possession of a dealer shall be presumed to have been held by him for more than 72 hours unless proof be shown to the contrary. Any person who shall violate any provision of this section shall be punished by a fine of not more than \$100 for the 1st offense and, for each subsequent offense, shall be punished by a fine of not less than \$200, nor more than \$1,000,

or by imprisonment for not more than 6 months, or by both such fine and imprisonment. (R. S. c. 14, § 195. 1947, c. 377, § 10. 1953, c. 308, § 10. 1955, c. 405, § 15.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” in three places in this section.

**Sec. 210. Possession of unstamped cigarettes, prima facie evidence.**

—The possession by any person, other than a licensed distributor or licensed dealer of cigarettes which do not bear stamps, shall be prima facie evidence that the cigarettes have been imported and that they are intended for use or consumption within the state. (1949, c. 409, § 4. 1955, c. 405, § 16.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars or tobacco products” following the word “cigarettes” in two places in this section.

**Sec. 211. Unstamped cigarettes subject to confiscation.**—Any cigarettes found at any place in this state without stamps affixed thereto as required by sections 200 to 221, inclusive, unless such cigarettes shall be in the possession of a licensed distributor, or unless they shall be in course of transit from without this state and consigned to a licensed distributor or licensed dealer, or unless they shall have been received by a licensed dealer within 72 hours, or unless they shall have been imported, received or acquired within 24 hours by a licensed unclassified importer who has notified the tax assessor as provided in section 204, are declared to be contraband goods and are subject to forfeiture to the state; and sheriffs, deputy sheriffs, police officers and duly authorized agents of the said assessor shall have the power to seize the same with or without process. In case such cigarettes are seized without a warrant, they shall be kept in some safe place for a reasonable time until a warrant can be procured. When such cigarettes are seized as provided herein, the officer or agent seizing them shall immediately file with the magistrate before whom such warrant is returnable, a libel against such cigarettes setting forth the seizure and describing the cigarettes, their containers and the place of seizure in sufficient manner to reasonably identify them, and that they were kept or intended for unlawful sale or use in violation of law and pray for a decree of forfeiture thereof; and such magistrate shall fix a time for the hearing of such libel and shall issue his monition and notice of the same to all persons interested, citing them to appear at the time and place appointed to show cause why such cigarettes and their containers should not be declared forfeited, by causing true and attested copies of said libel and monition to be posted in 2 public and conspicuous places in the town or place where such cigarettes were seized, 10 days at least before said libel is returnable; provided, however, that in lieu of forfeiture proceedings, title to such seized, unstamped cigarettes may be transferred to the state of Maine by the owner thereof. If title to and ownership in such cigarettes is transferred to the state, a receipt for the cigarettes shall be given to the former owner by the state tax assessor or his authorized agent. (R. S. c. 14, § 196. 1947, c. 377, § 11. 1953, c. 308, § 10. 1955, c. 405, § 17.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” wherever it appears in this section.

**Sec. 212. Forfeiture proceedings.**—If no claimant appears, such magistrate shall, on proof of notice as aforesaid, declare the same to be forfeited to the state. If any person appears and claims such cigarettes, or any part thereof, as having a right to the possession thereof at the time when the same were seized, he shall file with the magistrate such claim in writing, stating specifically the right so claimed, the foundation thereof, the items so claimed, the time and place of the seizure and the name of the officer or duly authorized agent of the said assessor by whom the same were seized, and in it declare that they were not so kept or deposited for unlawful sale and use as alleged in said libel and monition, and also state his business and place of residence and shall sign and make oath to the same before said magistrate. If any person so makes claim, he shall be admitted as a party to the process; and the magistrate shall proceed to determine the truth of

the allegations in said claim and libel, and may hear any pertinent evidence offered by the libelant or claimant. If the magistrate is, upon hearing, satisfied that said cigarettes were not so kept or deposited for unlawful sale or use, and that the claimant is entitled to the custody of any part thereof, he shall give him an order in writing, directed to the officer or duly authorized agent of the said assessor having the same in custody, commanding him to deliver to said claimant the cigarettes to which he is so found to be entitled, within 48 hours after demand. If the magistrate finds the claimant entitled to no part of said cigarettes, he shall render judgment against him for the libelant for costs, to be taxed as in civil cases before such magistrate, and issue execution thereon, and shall declare said cigarettes forfeited to the state. The claimants may appeal and shall recognize with sureties as on appeals in civil causes from a magistrate. All cigarettes declared forfeited to the state, or title to which has been transferred to the state in lieu of forfeiture proceedings, shall be sold by the treasurer of state at the approximate wholesale price thereof, and the funds derived from such sales shall be paid into the state treasury. (R. S. c. 14, § 197. 1947, c. 377, § 12. 1955, c. 405, § 18.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” wherever it appears in this section.

### **Sec. 213. Fraudulent stamps.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 19.

**Sec. 214. Taxpayers to keep records; assessor may examine.**—Each distributor and each dealer shall keep complete and accurate records of all cigarettes manufactured, produced, purchased and sold. Such records shall be of such kind and in such form as the tax assessor may prescribe and shall be safely preserved for 2 years in such manner as to insure permanency and accessibility for inspection by the assessor and his authorized agents. The assessor and his authorized agents may examine the books, papers and records of any distributor or dealer in this state for the purpose of determining whether the tax imposed by sections 200 to 221, inclusive, has been fully paid, and may investigate and examine the stock of cigarettes in or upon any premises where such cigarettes are possessed, stored or sold for the purpose of determining whether the provisions of said sections are being obeyed. (R. S. c. 14, § 199. 1947, c. 377, § 13. 1953, c. 308, § 10. 1955, c. 405, § 20.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” in three places in this section.

### **Sec. 215. Oaths and subpoenas.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 21.

**Sec. 216. Hearings by assessor.**—Any person aggrieved by any action under the provisions of sections 200 to 221, inclusive, of the assessor or his authorized agent for which hearing is not elsewhere provided may apply to the assessor, in writing, within 10 days after the notice of such action is delivered or mailed to him, for a hearing, setting forth the reasons why such hearings should be granted and the manner of relief sought. The assessor shall promptly consider each such application and may grant or deny the hearing requested. If the hearing be denied, the applicant shall be notified thereof forthwith; if it be granted, the assessor shall notify the applicant of the time and place fixed for such hearing. After such hearing, the assessor may make such order in the premises as may appear to him just and lawful and shall furnish a copy of such order to the applicant. The assessor may, by notice in writing, at any time, order a hearing on his own initiative and require the taxpayer or any other individual whom he believes to be in possession of information concerning any manufacture, importa-

tion or sale of cigarettes which have escaped taxation to appear before him or his duly authorized agent with any specific books of account, papers or other documents for examination relative thereto. (R. S. c. 14, § 201. 1947, c. 377, § 14. 1953, c. 308, § 10. 1955, c. 405, § 22.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” in the last sentence.

### **Sec. 217. Appeals from decisions of assessor.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 23.

### **Sec. 218. Administration by assessor; rulings and regulations.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 24.

**Sec. 219. Use of metering machines.**—The tax assessor, if he shall determine that it is practicable to stamp by impression packages of cigarettes by means of a metering machine, may, in lieu of selling stamps under the provisions of section 205, authorize any licensed distributor or licensed dealer to use any metering machine approved by him, such machine to be sealed by the assessor before being used in accordance with regulations prescribed by him. Any licensed distributor or licensed dealer authorized by the tax assessor to affix stamps to packages by means of a metering machine shall file with the assessor a bond issued by a surety company licensed to do business in this state, in such amount as the tax assessor may fix, conditioned upon the payment of the tax upon cigarettes so stamped. The bond shall be in full force and effect for a period of 1 year and a day after the expiration of the bond, unless a certificate be issued by the tax assessor to the effect that all taxes due to the state have been paid. In the discretion of the tax assessor, cash may be accepted in lieu of a surety bond, such cash to be paid over by the tax assessor to the treasurer of state, who may deposit or hold the same subject to further order of the tax assessor. The tax assessor shall cause each metering machine approved by him to be read and inspected at least once a month and shall determine as of the time of each inspection the amount of tax due from the distributor or dealer using such machine after allowing for the discount, if any, provided for in section 205, which tax shall be due and payable upon demand of the tax assessor or his duly authorized agent. (R. S. c. 14, § 204. 1947, c. 377, § 15. 1955, c. 405, § 25.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” in the first and second sentences.

### **Sec. 220. Tax credited to general fund.**

**Effect of amendment.**—This section was re-enacted without change by P. L. 1955, c. 405, § 26.

**Sec. 221. Tax is levy on consumer.**—The liability for, or the incidence of, the tax on cigarettes is declared to be a levy on the consumer. The distributors shall add the amount of the tax on cigarettes presently levied to the price of the cigarettes and the distributor may state the amount of the taxes separately from the price of such cigarettes on all price display signs, sales or delivery slips, bills and statements which advertise or indicate the price of such cigarettes. The provisions of this section shall in no way affect the method of collection of such taxes on cigarettes as now provided by existing law. (1949, c. 8. 1955, c. 405, § 27.)

**Effect of amendment.**—The 1955 amendment deleted the words “cigars and tobacco products” following the word “cigarettes” wherever it appears in this section.

**Potato Tax.****Sec. 223. Definitions.**

"Shipper" shall mean any person, partnership, association, firm or corporation engaged in the shipping of potatoes or transporting his own potatoes, whether as owner, agent or otherwise, to other than a licensed shipper. (R. S. c. 14, § 207. 1955, c. 379, § 1.)

**Effect of amendment.**—The 1955 amendment, which remains effective only until September 1, 1957, added the words "to other than a licensed shipper" at the end

of the last paragraph. As the rest of the section was not changed by the amendment, only the last paragraph is set out.

**Sec. 224. Tax on potatoes.**—A tax is levied and imposed at the rate of 2¢ per barrel on all potatoes raised in this state, except that no tax shall be imposed upon any potatoes which are retained by the grower to be used by him for seed purposes or for home consumption. (R. S. c. 14, § 208. 1955, c. 379, § 2.)

**Effect of amendment.**—The 1955 amendment, which remains effective only until

September 1, 1957, increased the rate of the tax from 1¢ to 2¢ per barrel.

**Sec. 228. Report of shipments; time tax due.**—Every shipper shall keep as a part of his permanent records a record of all purchases, sales and shipments of potatoes, which said records shall be open for inspection at all times as hereinafter provided and every shipper shall, on or before the 15th day of each month, render a report to the state tax assessor stating the quantity of potatoes received, sold or shipped by him during the preceding calendar month, on forms to be furnished by said tax assessor, and said report shall contain such further information pertinent thereto as said state tax assessor shall prescribe. On or before the 1st day of the calendar month succeeding the filing of said report, each shipper shall pay to the state tax assessor a tax at the rate of 2¢ per barrel upon all potatoes so reported as purchased, sold or shipped, as determined by the state tax assessor. The state tax assessor shall pay over all receipts from such tax to the treasurer of state daily. (R. S. c. 14, § 212. 1945, c. 30, § 2. 1955, c. 379, § 3.)

**Effect of amendment.**—The 1955 amendment, which remains effective only until

September 1, 1957, increased the rate of the tax from 1¢ to 2¢ per barrel.

**Sec. 231. Appropriation of moneys received.**—Moneys received through the provisions of sections 222 to 233, inclusive, by the treasurer of state shall be appropriated and used for the following purposes:

**I.** For the collection of the tax provided for by section 224 and the enforcement of all the provisions of sections 222 to 233, inclusive.

**II.** A sum which shall equal at least 18% of the money collected shall be used and applied for the purpose of investigating and determining better methods of production, shipment and merchandising of potatoes, and for the manufacture and merchandising of potato by-products by the Maine agricultural experiment station under the supervision of the Maine potato commission. (1955, c. 379, § 4; c. 471, § 2.)

**III.** A sum which shall equal at least 25% of the money collected shall be used for the general purpose of merchandising and advertising Maine potatoes for food and for seed purposes under the direction of the Maine potato commission. The commission may use the advice and facilities of the department of development of industry and commerce in carrying out the provisions of this subsection. (1955, c. 471, § 2.)

**IV.** The funds remaining over and above the expenses of carrying out the provisions of sections 222 to 233, inclusive, including the expenditures authorized under the provisions of subsections II and III, may be expended by the potato commission to carry out the purposes outlined in said subsections as it may determine. The potato commission may expend annually a sum of money not in excess of \$10,000 for the purpose of enforcing laws relating to the branding

of potatoes. [1953, c. 360. 1955, c. 471, § 2]. (R. S. c. 14, § 215. 1953, c. 360. 1955, c. 379, § 4; c. 471, § 2.)

**Effect of amendments.**—The first 1955 amendment, which remains effective only until September 1, 1957, substituted "18%" for "25%" near the beginning of subsection II. The second 1955 amendment, which did not mention the first and did not incorporate the change made by it, substituted "potato commission" for "de-

velopment commission" at the end of subsection II and the first sentence of subsection III, added the second sentence of subsection III and substituted "potato commission" for "commission" in two places in subsection IV. Both amendments have been given effect in the section as set out above.

**Sec. 232. Maine potato commission.**—The Maine potato commission, heretofore established as the Maine potato tax committee, shall continue to consist of 5 members to be appointed by the commissioner of agriculture from representatives of the potato industry in this state. Four of these members shall be residents of Aroostook County and one a resident of central Maine, so called. Each member shall be appointed for a term of 2 years or until his successor is duly appointed and qualified. In case of a vacancy caused by death, resignation or otherwise, the vacancy shall be filled by the commissioner for the unexpired period of the term. The said commission may work with the department of development of industry and commerce in carrying out the provisions of sections 222 to 233, inclusive. The members of the commission shall serve without compensation but shall be reimbursed for expenses incurred in the performance of their duties. (R. S. c. 14, § 216. 1955, c. 471, § 3.)

**Effect of amendment.**—The 1955 amendment changed the name of the Maine potato tax committee to the Maine potato commission, and substituted, in the next to the last sentence, provisions for work-

ing with the department of development of industry and commerce for provisions for working with the Maine development commission.

### Fertilizer Tax.

**Sec. 234. Fee on commercial fertilizer sold.**—Any person, firm or corporation who shall manufacture, sell, distribute, transport, offer or expose for sale, distribution or transportation in this state any mixed fertilizer shall on or before September 1st in each year file with the state tax assessor a sworn statement, in such form as the state tax assessor may prescribe, listing exactly the number of net tons of mixed fertilizer sold by him in the state during the 12 months preceding July 1 of the current year. With the filing of said statement, each such person, firm or corporation shall pay to the state tax assessor a fee of 1¢ a ton of 2,000 pounds for mixed fertilizer so sold. Whenever a statement has been filed and the fee required by this section has been paid, no other person shall be required to pay the fee. The state tax assessor or his agents shall be authorized to examine the books of the person, firm or corporation filing the statement for the purpose of verifying the same. The provisions of this section shall not apply to sales of mixed fertilizer to the federal government. (1949, c. 378. 1955, c. 78.)

**Effect of amendment.**—The 1955 amendment added the last sentence.

### Sardine Tax.

**Sec. 262. Excise tax on sardines.**—The packing of sardines is declared to constitute the introduction of sardines into the channels of trade.

An excise tax of 25¢ per case, as defined in subsections I, II and III of section 261, is levied and imposed upon the privilege of packing sardines; provided, however, that if on April 1st of any year there shall remain unexpended in the hands of the treasurer of state from excise taxes collected under the provisions of sections 260 to 269, inclusive, the sum of \$500,000, then such excise tax shall not be levied and imposed upon the privilege of packing sardines during the 12 months following such April 1st.

The tax provided by this section shall be suspended on all cases of sardines described in subsection III of section 261 packed between January 1, 1955 and January 1, 1957. (1951, c. 2. 1953, c. 199, § 1. 1955, c. 126, § 1.)

**Effect of amendment.**—The 1955 amendment added the third paragraph. The amendment was made retroactive to January 1, 1955. And by § 4 of the amendatory act the state tax assessor is “authorized and directed to make such refunds as may be necessary to give effect to the provisions” of the amendment.

**Sec. 264. Reports of production and payment of tax.**—Every packer shall keep as a part of his permanent records, a record of all sardines packed, which said records shall be open for inspection at all times as hereinafter provided, and every packer shall on or before the 10th day of each month render a report to the state tax assessor, stating the quantity of sardines packed by him during the preceding calendar month, on forms to be furnished by said state tax assessor, and at the same time shall pay to the state tax assessor the tax of 25¢ per case on all sardines so reported as packed, except that the tax on items described in subsection III of section 261 shall be suspended on all such items packed between January 1, 1955 and January 1, 1957. If it appears to the state tax assessor from inspection of records or otherwise that an additional tax is due or overpayment of tax has been made, additional assessments or refunds shall be made by the state tax assessor. Such additional assessments shall be due upon certification to the taxpayer. Provided, nevertheless, any packer may pay to the state tax assessor in advance a sum of money based on an estimate of his tax for a given number of months, and this sum shall be a credit against future monthly reports of that packer. The state tax assessor shall pay over all receipts from such tax to the treasurer of state daily. (1951, c. 2. 1953, c. 199, § 2. 1955, c. 126, § 2.)

**Effect of amendment.**—The 1955 amendment added the exception clause at the end of the first sentence. The amendment was made retroactive to January 1, 1955. And by § 4 of the amendatory act the state tax assessor is “authorized and directed to make such refunds as may be necessary to give effect to the provisions” of the amendment.

### **Sec. 267. Appropriation and use of moneys received.**

**II.** The balance in such amounts as shall be from time to time determined by the Maine sardine council:

**A.** For the purpose of merchandising and advertising Maine sardines for food, under direction of the Maine sardine council with the advice and cooperation of the commissioner of development of industry and commerce.

**B.** For conducting research and investigation of methods of propagating and conserving clupeoid fish, particularly the clupea harengus, with a view of improving both the quality and quantity of the same in Maine waters, and for the implementation of all feasible methods of improving, propagating and conserving the same, under the joint direction of the commissioner of sea and shore fisheries and the Maine sardine council. [1955, c. 471, § 4]. (1951, c. 2. 1955, c. 471, § 4.)

**Effect of amendment.**—The 1955 amendment substituted “council” for “tax committee” at the end of the opening paragraph of subsection II and at the end of paragraph B of subsection II, and rewrote paragraph A of subsection II. As the rest of the section was not changed by the amendment, only subsection II is set out.

**Sec. 268. Maine sardine council.**—The Maine sardine council, as heretofore established, shall consist of 7 members to be appointed by the commissioner of sea and shore fisheries. Four members of said council shall constitute a quorum for the transaction of all business and the carrying out of the duties of the council. Such members shall be practical sardine packers, operating within the state, who shall have been actively engaged in packing sardines for not less than 5 years and each shall be so actively engaged during his continuance in office. A person shall be considered actively engaged in packing sardines if he has during the period de-

rived a substantial portion of his income therefrom, or has been the directing or managing head of an entity that derives a substantial portion of its income from packing sardines.

Regular appointments shall be for a term of 5 years and each member shall serve until his successor is duly appointed and qualified. In the case of a vacancy caused by death, resignation or otherwise, the vacancy shall be filled promptly by the commissioner of sea and shore fisheries for the unexpired period of the term.

The members of the council shall serve without compensation but shall be reimbursed for expenses incurred in the performance of their duties. They are authorized to select and employ an executive secretary-advertising and merchandising manager to administer the advertising, merchandising, research and development program, in concurrence with the commissioner of sea and shore fisheries and with the advice and cooperation of the commissioner of development of industry and commerce, and fix his salary. The executive secretary, with the consent of the council, is authorized, subject to the provisions of the personnel law, to engage sufficient clerical personnel and other employees for the efficient performance of his duties. (1951, c. 2. 1953, c. 214. 1955, c. 126, § 3; c. 471, § 5.)

**Effect of amendments.** — Both 1955 amendments substituted "Four" for "Five" at the beginning of the second sentence of this section. The second amendment also changed the name of the Maine sardine tax committee to the Maine sardine coun-

cil and deleted a reference to the Maine development commission in the next to the last sentence and inserted therein the present provision as to advice and cooperation of the commissioner of development of industry and commerce.

### Milk Tax.

**Director's Note.** — Section 3 of the act from which §§ 270-281 were codified made the act effective only until Sept. 1, 1955.

Section 3 was repealed by P. L. 1955, c. 303.

## Chapter 17.

### Sales and Use Tax Law.

#### Law imposes tax on retailer.

In accord with original. See *State v. Hancock*, 150 Me. 147, 107 A. (2d) 421.

**And does not violate constitutional principles.**—The sales and use tax law imposes a tax upon the retailer rather than the con-

sumer and thus does not violate constitutional principles by imposing upon the retailer the duty of collecting the tax without compensation therefor. *State v. Hancock*, 150 Me. 147, 107 A. (2d) 421.

#### Sec. 2. Definitions.

"Retail sale" or "sale at retail" means any sale of tangible personal property, in the ordinary course of business, for consumption or use, or for any purpose other than for resale, except resale as a casual sale, in the form of tangible personal property. The term "retail sale" or "sale at retail" includes conditional sales, installment lease sales, and any other transfer of tangible personal property when the title is retained as security for the payment of the purchase price and is intended to be transferred later. The term "retail sale" or "sale at retail" does not include any sale by an executor or administrator in the settlement of an estate, unless such sale is made through a retailer, or unless such sale is made in the continuation or operation of a business; nor does the term include any other isolated transaction in which any tangible personal property is sold, transferred, offered for sale or delivered by the owner thereof, such sale, transfer, offer for sale, or delivery not being made in the ordinary course of repeated and successive transactions of a like character by such owner, such transactions being elsewhere sometimes referred to as "casual sales"; provided, however, that "casual sale" shall not include any transaction in which tangible personal property is sold, transferred