

MAINE STATE LEGISLATURE

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STATE OF MAINE.

REPORT

OF THE

ATTORNEY-GENERAL

FOR THE TWO YEARS ENDING

NOVEMBER 30, 1908.

WATERVILLE
SENTINEL PUBLISHING COMPANY
1909

TELEPHONE COMPANIES.—RETURNS OF MUTUAL COMPANIES.

Hon. Arthur I. Brown, Secretary of State, Augusta, Maine:

DEAR SIR:—I have the honor to acknowledge receipt of papers referred to me relative to your inquiry concerning the returns of a so-called mutual telephone company, or a company which does not charge toll directly to its own subscribers, but does charge toll to strangers, the subscribers contributing by quarterly assessments enough to pay the running expenses after the deduction of the toll receipts paid by strangers.

We understand your inquiry to be as to whether or not the company in question should include in its gross receipts both the toll receipts from strangers and the quarterly assessments from subscribers.

Under our laws, these companies are required to make returns to you, showing among other things their gross receipts, in order that they may be duly taxed thereon. See R. S., chapter 8, section 35, et seq. Said section 25 reads as follows:

“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, between the first and fifteenth days of April, return to the secretary of state under oath of its treasurer, if a 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 said first day of April; if a person or association, the owner or owners or one of them shall annually make a return under oath to the secretary of state, between the first and fifteenth days of April, of the names and residences of the owner or owners and the relative interest each owner has in any such association on the first day of April. The returns shall also contain a statement of the assessed value in each town of the real estate of such corporation, association or person used solely for the conduct of a telephone or telegraph business, and taxed by any municipality, and the gross receipts from business done wholly within the state for operating such business during the preceding year ending April first.”

In the interests of the State, I should recommend that until reason should be shown for a different course by any decision of our court, that you consider the term "gross receipts," under the section just quoted, as including both the said tolls and the said quarterly assessments. Under this view, in making its return, such company should include in its gross receipts, the said tolls from strangers and the said quarterly assessments from subscribers.

SCHOOL MILL TAX FOR 1907.

Hon. Pascal P. Gilmore, Treasurer of State, Augusta, Maine:

DEAR SIR:—Relative to your recent communication as to whether a tax of one mill or one and one-half mills, known as the school mill tax, shall be assessed and collected this year and apportioned under the existing law, I beg to advise as follows:

Chapter 15, section 124, Revised Statutes, now in force, reads as follows:

"A tax of one mill on a dollar shall annually be assessed upon all the property in the state according to the valuation thereof, and shall be known as the mill tax for the support of common schools."

This section was amended by the laws of 1907, chapter III, section 2, which reads as follows:

"Section one hundred and twenty-four of chapter fifteen of the revised statutes is hereby amended by striking out the words "one mill" in the first line thereof and inserting in their place the words "one and one-half mills," so that said section as amended, shall read as follows:

"Section 124. A tax of one and one-half mills on a dollar shall annually be assessed upon all the property in the state according to the valuation thereof, and shall be known as the mill tax for the support of common schools."

This amendment, however, does not take effect until January 1, 1908, since section 3 of said chapter III of the laws of 1907 reads as follows:

"This act shall take effect January first, nineteen hundred and eight."

The tax in question therefore is not changed from one mill to one and one-half mills until the year 1908. This is further