

# MAINE STATE LEGISLATURE

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**PUBLIC DOCUMENTS**

OF THE

**STATE OF MAINE**

BEING THE

**REPORTS**

OF THE VARIOUS

**PUBLIC OFFICERS  
DEPARTMENTS AND  
INSTITUTIONS**

FOR THE TWO YEARS

**JULY 1, 1926 - JUNE 30, 1928**

PUBLIC DOCUMENTS, 1926-28

(Explanatory Note)

Three reports in this volume cover periods in variance with the given biennium. They are as follows:

1. The report of the Attorney General covers the period from 1924 to 1928.
2. The report of the Bangor State Hospital covers the period from 1919 to 1928.
3. The report of the department of Inland Fisheries and Game covers the fiscal year ending June 30, 1928. No printed report was made for the fiscal year ending in 1927.

# STATE OF MAINE

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## REPORT

OF THE

# ATTORNEY-GENERAL

FOR THE TWO YEARS ENDING

JUNE 30, 1926

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PRESS OF MERRILL & WEBBER CO.  
AUBURN, MAINE

poration and *secured* by mortgage on real estate situated in this state."

In the example cited by you, A's note is secured by the note of B, and the note of B is in turn secured by mortgage. The mortgage is not the original security for A's note, and the intent of the legislature, as expressed in the statute, was that the exemption should relate only to the original note and security. The law was passed for the purpose of preventing double taxation. See legislative record, 1911.

Under the provisions of Revised Statutes, Chapter 9, Section 71, as amended by Section 137, Chapter 144 of the Laws of 1923, trust companies may only deduct from their assets in their tax returns such notes, secured by mortgage as are exempt in the hands of individuals; and our construction is that this relates only to notes directly secured.

Very truly yours,

RAYMOND FELLOWS,

*Attorney General.*

April 14, 1926.

*Hon. John G. Smith, Bank Commissioner, Augusta, Maine.*

DEAR SIR: You have asked this department for an opinion upon the proper construction of paragraph 9, Section 27, Chapter 144 of the Public Laws of 1923, and especially as to the meaning of the words, "net income", as used in said paragraph.

"Net income" of a business or corporation, has been construed to include "the products of the business deducting the expenses only".

"Net income" of a railroad has been construed as meaning "all over and above operating expenses."

In paragraph 6, b, 3, of said Section 27, relating to the obligations of "steam railroads", the legislature inserted the following:

"The 'net income' of a railroad for the purposes of the foregoing paragraph shall be determined after deducting all operating expenses, maintenance charges, depreciation, rentals, taxes and guaranteed interest and dividends paid by or due from it."

Substantially the same provision regarding "net income" appears in paragraph 7, b, 5, of said section relating to "public utility obligations"; and again in paragraph 8, a, 2, of said section 27, relating to obligation of "telephone companies", is contained the same provision.

The legislature having three times in said Section 27 provided how "net income" should be determined, it seems to me to be reasonable to assume that it was the legislative intent to determine the "net income" as it appears in said paragraph 9 in the same manner as is previously provided in paragraphs 6, 7, and 8.

Very truly yours,

SANFORD L. FOGG,

*Deputy Attorney General.*

July 30, 1925.

*Grube B. Cornish, Secretary, State Board of Charities and Corrections, Augusta, Maine.*

DEAR MR. CORNISH: Answering your letter of recent date in regard to your guardianship over a ward committed to the School for Feeble Minded, I beg to advise you that the statutes seem to be silent regarding the termination of the guardianship.

It is my opinion that the guardianship does not cease by reason of the commitment, but your control over the ward does cease during the time the ward is an inmate of the School for Feeble Minded.

Yours very truly,

SANFORD L. FOGG,

*Deputy Attorney General.*

January 29, 1925.

*To His Excellency Ralph O. Brewster, Governor of Maine, and the Honorable Members of the Council.*

GENTLEMEN: The Board of Prison Commissioners was established April 6, 1917, under Chapter 195 of the Public Laws of 1917, and was given authority to make and establish rules and regulations, not inconsistent with law, for the direction of all officers of the State Prison, and for the government, discipline,