

MAINE STATE LEGISLATURE

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STATE OF MAINE

REPORT

OF THE

ATTORNEY GENERAL

for the calendar years

1945-1946

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July 3, 1946

To Lucius D. Barrows, Chief Engineer, State Highway Commission

I have your communication of June 27th, stating that the Commission has requested you to ask me if there is any law which authorizes the State Highway Commission to construct cattle passes as part of the construction of state and state aid roads.

The provisions of Chapter 20, R. S. 1944, empower the Commission under its general powers and duties to make rules and regulations in regard to construction and maintenance of all state and state aid highways and to direct the expenditure of all moneys for construction and maintenance of all state and state aid highways, which powers and duties in my opinion are broad enough for the Commission to construct cattle passes as a part of the construction of state and state aid roads. Furthermore, I believe it is the duty of the Commission to do this work as a safety measure, and such construction would be approved by the Public Roads Administration as items of costs in federal aid projects. It is a matter for the judgment of the Commission, to be exercised in each particular case. For instance, where a right of way divides land which is being taken under condemnation proceedings or otherwise, it would reduce the amount of damages for the State Highway Commission to construct a cattle pass under the highway so that cattle could pass to and fro from the pasture.

RALPH W. FARRIS
Attorney General

July 3, 1946

To David H. Stevens, State Assessor
Re: Taxation of Savings Banks

I received your memo of July 1st relating to the tax base under the provisions of Sections 142 and 143 of Chapter 14, R. S. 1944, which provide that savings banks deposits, reserve funds, etc., are part of the base of the tax. You state that for the purpose of taxation your department has considered deposits as any moneys held by the bank which could be invested by the bank to create revenue, as distinguished from securities deposited in the bank for safe keeping, which have been considered as trust funds and not subject, to the intent of the law, in taxing deposits. You ask for a ruling as to whether moneys held by some savings banks in connection with FHA loans should be considered as deposits and subject to taxation. You further state that these FHA loans are mortgage loans, and there is no federal money involved. If, however, the loans are made under a prescribed procedure, the federal government guarantees the bank from any loss connected with the same. You further state that no interest is paid on these balances. The bank is, however, in a position to invest a good part of the total of these balances, the same as any other deposits. You further state that these funds are a good deal like Christmas Club and Vacation Club deposits, which are reduced practically to zero once a year and that the Christmas Club and Vacation Club deposits have always been considered subject to the tax.