

MAINE STATE LEGISLATURE

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ONE - HUNDRETH LEGISLATURE

Legislative Document

No. 1507

S. P. 500

In Senate, March 28, 1961

Reported by Senator Edgar of Hancock from Committee on Taxation. Printed under Joint Rules No. 10.

CHESTER T. WINSLOW, Secretary

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-ONE

AN ACT to Eliminate Intangibles from Property Taxation.

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

Sec. 1. R. S., c. 16, § 115, amended. The first sentence of section 115 of chapter 16 of the Revised Statutes, as amended by section 10 of chapter 397 of the public laws of 1957, is further amended to read as follows:

'Every corporation, person or association operating any railroad in the State under lease or otherwise shall pay to the State Tax Assessor, for the use of the State, an annual excise tax for the privilege of exercising its franchises and the franchises of its leased roads in the State, which, with the tax provided for in ~~section 22 of~~ chapter 91-A, **section 22** is in place of all taxes upon such railroad and its property ~~and stock.~~'

Sec. 2. R. S., c. 16, § 127, amended. The first paragraph of section 127 of chapter 16 of the Revised Statutes is amended to read as follows:

'Every corporation, association or person operating in whole or in part a telephone or telegraph line within the State for tolls or other compensation shall pay to the State Tax Assessor, for the use of the State, an annual excise tax for the privilege of conducting such business within the State, which tax, with the tax provided for in section 132, is in place of all taxes upon the property of such corporation, association or person employed in such business ~~and of all taxes upon the shares of the capital stock of any such corporation.~~'

Sec. 3. R. S., c. 16, § 132, amended. Section 132 of chapter 16 of the Revised Statutes, as amended, is further amended to read as follows:

'**Sec. 132. Tax to be in lieu of all taxes.** The excise tax collected under ~~the provisions of~~ sections 125 to 131 shall be in lieu of all taxes upon any corpora-

tion 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. 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 non-resident property.'

Sec. 4. R. S., c. 91-A, § 7, amended. Section 7 of chapter 91-A of the Revised Statutes, as enacted by section 1 of chapter 399 of the public laws of 1955, is amended to read as follows:

'Sec. 7. Personal estate; tax definition. Personal property for the purposes of taxation includes all ~~tangible~~ goods and chattels ~~moneys and effects, tangible or intangible~~ wheresoever they are; and all vessels, at home or abroad ~~money at interest and indebtedness due the persons to be taxed more than they are owing; all public securities; and shares in moneyed and other corporations within or without the State, except as otherwise proved by law.'~~

Sec. 5. R. S., c. 91-A, § 9, sub-§§ VI, VII, IX, repealed. Subsection VI, VII and IX of section 9 of chapter 91-A of the Revised Statutes, as enacted by section 1 of chapter 399 of the public laws of 1955, are repealed as follows:

~~VI. Personal property held in trust to the extent that the income therefrom is not to be paid free of trusts at least annually shall be taxed to the trustee in the place where the trustee resides.~~

~~VII. Personal property placed in the hands of any corporation as an accumulating fund for the future benefit of heirs or other persons shall be taxed to the person for whose benefit it is accumulating in the place where he resides, if within the State, otherwise to the person so placing it or his executors or administrators in the place where they reside, until a trustee is appointed to take charge of it or its income, and then to such trustee in the place where he resides.'~~

~~IX. Money at interest of residents of this State deposited in any bank without this State shall be taxed to the owner where he resides; provided, however, if any state exempts similar deposits in banks in this State, including interest thereon, to owners residing in that state, the provisions of this subsection shall not apply to deposits in that state.'~~

Sec. 6. R. S., c. 91-A, § 10, sub-§ I, ¶ D, repealed. Paragraph D of subsection I of section 10 of chapter 91-A of the Revised Statutes, as enacted by section 1 of chapter 399 of the public laws of 1955, is repealed as follows:

~~'D. All bonds, notes and other obligations issued by the State of Maine or any county or public municipal corporation.'~~

Sec. 7. R. S., c. 91-A, § 10, sub-§ V, ¶¶ E, L, M, repealed. Paragraphs E, L and M of subsection V of section 10 of chapter 91-A of the Revised Statutes, as enacted by section 1 of chapter 399 of the public laws of 1955, are repealed as follows:

'E. All loans of money made by an individual or corporation and secured by a mortgage on real estate situated in this State.'

'L. The shares of capital stock of manufacturing, mining, smelting, agricultural and stock raising corporations, and corporations organized for the purpose of buying, selling and leasing real estate, when subject to taxation under the provisions of subsection XI of section 9.'

'M. Personal property held in trust to the extent that the income therefrom is to be paid at least annually free of trusts.'