

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1900

H. P. 1457

House of Representatives, January 24, 1972

Committee on Appropriations and Financial Affairs suggested.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Silverman of Calais.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-TWO

**RESOLVE. Discharging Plantation of Baring from Indebtedness to the State
for Use of School Bus in 1961-62 Prior to Incorporation as Plantation.**

Plantation of Baring discharged from indebtedness to State. Resolved: That indebtedness of the Plantation of Baring in the amount of \$1,075 for use of state-owned school bus in the 1961-62 school year, which year preceded the incorporation of Baring as an organized plantation, is discharged.

STATEMENT OF FACT

A school bus was purchased through the Unorganized Territory Capital Working Fund for the use of Baring Township pupils in the 1960-1961 state fiscal year and a charge of \$5,075 was set up against township property owners. Baring Township, however, became organized as a plantation under chapter 296 of the private and special laws of 1961, effective for educational purposes, July 1, 1962.

Following incorporation, the used school bus was sold to Baring Plantation for \$4,000, which left outstanding indebtedness of \$1,075. The item was reported to the Property Tax Division of the State Bureau of Taxation and that division decided not to make an assessment against Baring Plantation on the grounds that the State Tax Assessor did not assess state taxes on organized places. Without recourse to the assessing process, the State had an uncollectable charge of \$1,075 for use of the bus in 1961-1962. The act of incorporation directed the State Treasurer to turn over to the Plantation all trust funds, thus foregoing collection from that source.

The charge of \$1,075 has remained dormant since 1962 and was first mentioned by the state auditors in 1968, and since then has been reported as due. In view of the long time-lag involved and decision not to make the assessment in 1961, it is recommended that the debt be discharged.