

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
106TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1873, L.D.
2372, Bill, "AN ACT to Collect the Tax on Insurance
Premiums Quarterly."

Amend said Bill in section 1 by striking out
in that part designated "§2399." in the 7th line
(same in L.D.) the underlined figures ".006%" and
inserting in place thereof the following:
'6/10th of 1%'

Further amend said Bill by striking out all of
section 7 and inserting in place thereof the follow-
ing:

'Sec. 7. R.S., T. 36, §2517, amended. Section
2517 of Title 36 of the Revised Statutes is amended
to read as follows:

§2517. Mutual fire companies doing mill business;
returns

Mutual fire insurance companies incorporated
under the laws of other states, which insure only
factories or mills, or property connected with such
factories or mills, admitted to do business in
this State, shall comply with all the requirements
of law except that in lieu of all other taxation
upon premiums in this State, such companies shall
~~annually~~ pay a tax at the rate of 2% on gross
premiums in force on risks in this State, after
deducting the unabsorbed portion of such premium,
computed at the rate of return actually made on
annual policies expiring during the year by said
insurance companies. ~~Such companies shall, on or~~
~~before the first day of each March, make a return,~~
~~under oath, to the State Tax Assessor, showing the~~
~~gross premiums in force on risks in this State on~~
~~the 31st day of December previous and the unabsorbed~~
~~portion of such premiums computed at the rate of~~
~~return actually made on annual policies expiring~~
~~during the year by said insurance companies.~~

(Filing H-715)

Further amend said Bill in section 11 in the 7th line of that part designated "§2521-A." (6th line in L.D.) by inserting after the underlined word "month" the following: 'which may be on an estimated basis'

Further amend said Bill in section 11 in the 5th line of the 3rd paragraph of that part designated "§2521-A." (4th line of L.D.) by striking out the underlined figures "10%" and inserting in place thereof the underlined figures '20%'

Statement of Fact

This amendment corrects an error in section 1 of the bill. It adds an amendment to Title 36, section 2517 relating to time for filing returns by mutual fire companies doing mill business; it amends section 11 of the bill to make clear the intents that the quarterly returns can be made on an estimated basis; and it increases the margin for error in the final return to take into account the possibility of computation errors.

Reported by the Committee on Taxation.

Reproduced and distributed under the direction of the Clerk of the House.
2/28/74

(Filing No. H-715)