

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
107TH LEGISLATURE  
FIRST SPECIAL SESSION

SENATE AMENDMENT " A " to H.P. 2003, L.D. 2179, Bill,  
"AN ACT to Remove the Minimum Mandatory Tax from the  
Railroad Excise Tax Formula."

Amend said Bill by striking out everything after the  
enacting clause and inserting in place thereof the following:

'Sec. 1. 36 MRSA §2621, as amended by PL 1973, c. 268, §1,  
is further amended to read:

§ 2621. Annual returns

Every railroad company incorporated under the laws of the  
State or doing business therein shall annually, between the  
first and 15th days of April, return to the State Tax Assessor,  
signed by its treasurer or its chief accounting officer, a  
statement of the gross transportation receipts, ~~the-net~~  
~~railway-operating-income~~, the average number of miles operated  
in the system and the average number of miles operated in the  
State for the preceding calendar year.

Sec. 2. 36 MRSA §2624, as amended by PL 1971, c. 549,  
is repealed and the following enacted in place thereof:

§ 2624. Amount of tax

The annual excise tax on railroads, which lie wholly within  
the State, shall be an amount equal to 1/4 of 1% of gross  
transportation receipts as returned to the Public Utilities

Commission for the year ended on the 31st day of December preceding the levying of such tax.

When a railroad lies partly within and partly without the State, or is operated as a part of a line or system extending beyond the State, the annual excise tax on such railroads shall be an amount equal to 1/4 of 1% of the gross transportation receipts in the State, which are to be determined as follows: The gross transportation receipts of such railroad, line or system, as the case may be, over its whole extent, within and without the State, shall be divided by the total number of miles operated to obtain the average gross transportation receipts per mile, and the gross transportation receipts in the State shall be taken to be the average gross transportation receipts per mile multiplied by the number of miles operated within the State.

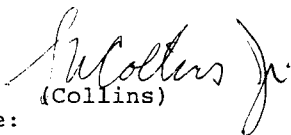
The Public Utilities Commission, after notice and hearing, may determine the accuracy of any returns required of any railroad, and if found inaccurate, may order proper corrections to be made therein. '

#### Statement of Fact

This amendment will result in an excise tax which is equivalent to the present tax rate of 1/4 to 1% of gross transportation receipts. At the time the present excise tax formula was enacted by the Maine Legislature, the State had no corporate income tax. Railroads in Maine are now subject to the corporate income tax as well as sales tax and local

property tax on all buildings and all property outside the right-of-way.

This tax will amount to approximately \$150,000 in annual revenue to the State, based on the tax estimated for 1975.

  
(Collins)

Name:

County: Knox

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March 12, 1976.

(Filing No. S-432).