

MAINE STATE LEGISLATURE

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FIFTY-FIFTH LEGISLATURE.

HOUSE.

No. 127.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND SEVENTY-SIX.

AN ACT relating to taxation of insurance companies.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows :

SECTION 1. Every insurance company or association
2 which does business in this state, not incorporated or
3 associated under the laws thereof, shall, as hereinafter
4 provided, annually pay a tax upon all premiums
5 received, whether in cash or in notes absolutely pay-
6 able, in excess over losses actually paid during the
7 year, on contracts made in this state for insurance of
8 life, property, or interests therein, at the rate of two
9 per cent. per annum.

SECT. 2. In determining the amount of tax due
2 under the preceding section, there shall be deducted
3 by each company from the full amount of premiums

4 received, the amount paid in this state during the year
5 on claims under policies, and so much of any of said
6 premiums as may be returned or allowed during the
7 year to the insurer as not collected or used, or earned ;
8 and the tax shall be computed on the net amount thus
9 actually received by said companies or their agents as
10 aforesaid.

SECT. 3. Every company or association which by
2 the provisions of this act is required to pay a tax, shall,
3 on or before the thirty-first day of January, in each
4 year, make a return, under oath, to the insurance
5 commissioner, stating the amount of all premiums
6 received by said company, either in cash or notes
7 absolutely payable, during the year ending on the
8 thirty-first day of December next previous, and also
9 the amount to be deducted therefrom, under the pro-
10 visions of this act, specifying the whole amount
11 thereof, and also the classes of deductions and amount
12 of each class. Said tax shall be assessed by the state
13 treasurer, upon the certificate of the insurance com-
14 missioner, to be seasonably furnished therefor, on or
15 before the first day of April, the same to be paid on
16 or before the first day of May then next. It shall be
17 the duty of the treasurer to notify the several companies
18 of the assessment, and unless the same be paid as
19 aforesaid, the commissioner shall suspend the right of

20 the company to do any further business in the state
21 until the tax is paid.

SECT. 4. In case any insurance company or asso-
2 ciation shall refuse or neglect to make the return
3 required by this act, the treasurer shall make such
4 assessment on such company or association as he
5 deems just, and unless the same shall be paid on
6 demand, such company or association shall have no
7 right to do business in this state, and it shall be the
8 duty of the insurance commissioner to give notice
9 accordingly. And if after each notice any person
10 does business in this state for such company or asso-
11 ciation, he shall be liable to the penalty provided in
12 section fifty of chapter forty-nine of the revised
13 statutes.

SECT. 5. But any insurance company incorporated
2 by a state or country whose laws impose upon in-
3 surance companies, chartered by this state, any greater
4 tax than is herein provided, shall pay the same tax
5 upon business done by it in this state in place of the
6 tax above provided ; and the insurance commissioner
7 is hereby authorized to require the return upon which
8 such loss may be assessed to be made to him, and the
9 treasurer is hereby authorized to assess such tax ; and
10 if such tax is not paid as provided in section three,

11 the insurance commissioner shall suspend the right of
12 said company to do business in this state.

SECT. 6. Chapter two hundred and fifty-one of the
2 acts of eighteen hundred and seventy-four, and chap-
3 ter forty-six of the acts of eighteen hundred and
4 seventy-five, are hereby repealed, except that they
5 are continued in force for the assessment and collection
6 of the tax the previous year as therein provided.

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES, }
February 17, 1876. }

Reported from the Committee on Ways and Means by Mr.
WHITE of Bucksport, read twice, and on his motion, laid on the
table and ordered printed.

E. C. BURLEIGH, *Clerk pro tem.*