

MAINE STATE LEGISLATURE

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SIXTY-FIRST LEGISLATURE.

SENATE.

No. 78.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND EIGHTY-THREE.

AN ACT relating to the 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 which does business in this state, not incorporated or associated under the laws thereof, shall, as hereinafter provided, annually pay a tax upon all premiums received whether in cash or in notes absolutely payable, on contracts made in this state for insurance of life, property or interests therein, at the rate of two per cent. a year.

SECT. 2. Every company or association which by the provisions of the preceding section is required to pay a tax, shall, on or before the thirty-

4 first day of January in each year make a return
5 under oath, to the insurance commissioner stating
6 the amount of all premiums received by said com-
7 pany, either in cash or notes absolutely payable,
8 during the year ending on the thirty-first day of
9 December next previous. Said tax shall be assessed
10 by the state treasurer upon the certificate of the
11 insurance commissioner, to be seasonably furnished
12 therefor on or before the first day of April, the
13 same to be paid on or before the first day of May
14 following. It shall be the duty of the treasurer to
15 notify the several companies of the amount, and
16 unless the same is paid as aforesaid, the commissioner
17 shall suspend the right of the company to do any
18 further business in this state until the tax is paid.

SECT. 3. If any insurance company or associa-
2 tion refuses or neglects to make the return required
3 by the preceding section, the state treasurer shall
4 make such assessment on such company or asso-
5 ciation as he deems just, and unless the same shall
6 be paid on demand, such company or association
7 shall have no right to do business in this state, and
8 the insurance commissioner shall give notice ac-
9 cordingly. And if after such notice any person
10 does business in this state for such company or

11 association, he shall be liable to the penalty pro-
12 vided in section seventy-three of chapter forty-
13 nine.

SECT. 4. The secretary or treasurer of each in-
2 surance company chartered by this state which
3 does business in whole or in part, upon the plan of
4 mutual insurance, including every company, whose
5 policy holders have a right to participate in its
6 profits, shall, on or before the thirty-first day of
7 January, annually, render to the insurance com-
8 missioner a sworn statement showing the total
9 amount of its assets, on the preceding thirty-first
10 day of December derived from business done upon
11 the plan of mutual or participating insurance and
12 containing a detailed enumeration thereof with
13 their market value, the amount of premium notes
14 held by it, and its ascertained and unpaid losses on
15 that day, with the balance remaining after deduct-
16 ing from said total amount of assets derived as
17 aforesaid, said ascertained and unpaid losses and
18 the amounts invested in such bonds as are exempt
19 from taxation, and the premium notes held by it.

SECT. 5. Any person, whose duty it shall be to
2 make and return the statement required by the
3 preceding section, who shall fail to do so within

4 the time prescribed, shall forfeit five thousand dol-
5 lars to the state.

SECT. 6. Each of such mutual fire and fire
2 marine insurance companies shall annually pay to
3 the state one half of one per cent. upon the bal-
4 ance remaining as aforesaid.

SECT. 7. Each of such mutual life insurance
2 companies shall annually pay to the state one-
3 fourth of one per cent. on the total amount of its
4 premium notes, and on the market value of all
5 its other assets, except on bonds held by it exempt
6 from taxation, money held by it to pay ascertained
7 losses, and the amount invested in real estate liable
8 to taxation in this state and elsewhere.

SECT. 8. The sums specified in the last two pre-
2 ceding sections shall be paid by each of said com-
3 panies on or before the first day of May annually,
4 and shall be in lieu of all other taxes upon its
5 assets derived from business conducted upon the
6 plan of mutual and participating insurance, except
7 upon the real estate held by it and liable to taxa-
8 tion in this state.

SECT. 9. Chapter one hundred and twenty-nine
2 of the public laws of eighteen hundred and
3 seventy-six is hereby repealed, except that its pro-

(5)

4 visions are continued in force for the assessment
5 and collection of the tax, the basis of which will
6 be the returns made January thirty-first, eighteen
7 hundred and eighty-three.

STATE OF MAINE.

In SENATE, March 6, 1883.

Reported by Mr. HEATH of Kennebec, from a Majority of
Committee on Mercantile Affairs and Insurance, laid on the table
to be printed under the Joint Rules.

C. W. TILDEN, *Secretary.*