

# MAINE STATE LEGISLATURE

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# SEVENTY-FOURTH LEGISLATURE

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SENATE.

No. 98

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND NINE  
HUNDRED AND NINE.

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AN ACT to regulate the rate of dividends and interest on sav-  
ings deposits.

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*Be it enacted by the People of the State of Maine, as follows:*

Section 1. No savings bank, trust company or trust and  
2 banking company, organized under the laws of this State  
3 shall pay dividends or interest on deposits, except as herein-  
4 after provided, in excess of three and one-half per cent in  
5 any one year. When the reserve fund of any savings bank,  
6 or the surplus of any trust company, or trust and banking  
7 company shall equal ten per cent of the average deposits of  
8 all classes in the six months previous to declaring a dividend,  
9 all net profits not otherwise divided shall, in the case of sav-  
10 ings banks, and may in the case of trust companies and trust

11 and banking companies be divided ratably every three years  
12 among the depositors of one, two and three full years stand-  
13 ing, as extra dividends; provided, however, that all losses  
14 and all investments of doubtful value and all premium ac-  
15 counts shall have been first charged off against such reserve  
16 fund or surplus, or reduced, to the satisfaction of the bank  
17 examiner.

Sect. 2. The word deposits, as applied to trust companies  
2 and trust and banking companies shall be construed to in-  
3 clude certificates of deposit, treasurer's checks and all evi-  
4 dences of indebtedness except obligations to other banks or  
5 bona fide loans secured by collateral.

Sect. 3. No savings deposit in any savings bank, trust  
2 company or trust and banking company shall be subject to  
3 municipal taxation. No savings deposit in any national bank  
4 in this State on which interest not exceeding three and one-  
5 half per cent per annum is paid shall be subject to municipal  
6 taxation. The cashiers of all national banks in this State  
7 shall annually, on the first day of April, submit in writing,  
8 under oath, to the assessors of the several towns and cities in  
9 which the depositors reside, and in case of non-resident de-  
10 positors, to the assessors of the town or city in which such  
11 bank is located, a list showing the names of all depositors  
12 and the respective amounts of their deposits on which inter-  
13 est in excess of three and one-half per cent per annum is be-  
14 ing paid, and such deposits shall be taxed to the owners  
15 thereof in the same manner and at the same rate as other

16 personal property is taxed; provided, however, that this pro-  
17 vision shall not apply to deposits on which such excess above  
18 three and one-half per cent consists only of extra dividends  
19 as declared and paid not oftener than once in three years.

Sect. 4. All acts and parts of acts inconsistent herewith  
2 are hereby repealed.

Sect. 5. This act shall take effect on the first day of Sep-  
2 tember, one thousand nine hundred and nine.

STATE OF MAINE.

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IN SENATE,

February 2, 1909.

Presented by Mr. REYNOLDS of Kennebec and on his motion tabled for printing pending reference to Committee on Banks and Banking.

F. G. FARRINGTON, *Secretary*.