

# MAINE STATE LEGISLATURE

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SEVENTY-SIXTH LEGISLATURE

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HOUSE

NO. 418

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*House of Representatives, Mar. 5, 1913.*

*Tabled pending reference to a committee, by Mr. Sargent,  
Portland, and ordered printed.*

*W. R. ROIX, Clerk.*

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STATE OF MAINE

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

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AN ACT to raise revenue for the support of the State govern-  
ment by the levy and collection of a tax on incomes.

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

Section 1. That from and after the first day of January,  
2 one thousand nine hundred and fourteen, there shall be  
3 annually assessed, levied and collected upon the gains, gross  
4 profits and income received during the preceding calendar  
5 year by every citizen of the State of Maine, whether such  
6 gains, profits or income be derived from any kind of prop-  
7 erty, rents, interest, dividends or salaries, or from any  
8 profession, trade, employment or vocation carried on in this  
9 State, or from any other source whatever, a tax of one per  
10 centum on the amount so derived over and above \$2,500

11 and up to \$5,000, one and one-half per centum on \$5,000  
12 and over up to \$7,500, two per centum on \$7,500 and over  
13 up to \$10,000, two and one-half per centum on \$10,000, and  
14 over up to \$15,000, three per centum on \$15,000 and over, and  
15 a like tax shall be assessed, levied and collected annually  
16 upon the gains, profits and income from all property owned  
17 and every business, trade or profession carried on in this  
18 State by persons residing without this State excepting such  
19 corporations as are hereinafter excepted: provided, that in  
20 estimating the gains, profits and income there shall not be  
21 included interest upon such bonds or securities of this State  
22 or of the United States the principal and interest of which  
23 are by the law of their issue exempt from taxation.

Sect. 2. That in computing incomes the necessary ex-  
2 penses actually incurred in carrying on any business, occu-  
3 pation or profession, not including remuneration to the tax-  
4 payer for personal supervision or the support and main-  
5 tenance of his or her family, shall be deducted from the  
6 gross income or revenue; and the word "income" as used  
7 in this act shall be deemed and taken to mean "gross  
8 profits:" Provided, That no deduction shall be made or  
9 allowed for any amount paid out or contracted for perma-  
10 nent improvements or betterment made to increase the value  
11 of any property or estate, or for the increase of capital,  
12 capital stock or assets.

Sect. 3. That the words "citizen" and "person" as used in  
2 this act shall be deemed to include all natural persons all

3 copartners and all members of any incorporated association,  
4 and to exclude, except as hereinafter included, all corpo-  
5 rations duly chartered by the laws of the United States and  
6 of this or any other state.

Sect. 4. That the tax herein provided for shall be assessed,  
2 levied and collected in the same manner, at the same time,  
3 as other taxes and by the same county officials as are now  
4 charged with the assessment, levy and collection of State  
5 and county taxes, and shall be paid into the State treasury  
6 as other general State taxes.

Sect. 5. That all persons liable for the payment of any of  
2 the tax herein provided for shall, at the times now or here-  
3 after provided by law for the making of returns of personal  
4 property, make under oath a full and complete list or re-  
5 turn in such form and manner as may be directed by the  
6 assessors of the city or town where said gains, profits or  
7 income arise, of the amount of their income, gains and  
8 profits as aforesaid, and the property or investment, if any,  
9 upon which the same are computed, and such other particu-  
10 lars as may be required by the attorney general.

All persons, whether natural or corporations created by  
12 charter, acting as guardians, trustees, executors, adminis-  
13 trators, agents, receivers, or in any other fiduciary capacity,  
14 shall make and render a list or return as aforesaid to the  
15 assessors of the city or towns in which such persons or cor-  
16 porations acting in a fiduciary capacity reside or do business

17 of the income, gains and profits of any minor or person  
18 for whom they act.

Sect. 6. That any person or corporation failing or refus-  
2 ing to make the list or return required by this act, or ren-  
3 dering a willfully false or fraudulent list or return, shall  
4 be assessed by the assessor on account of said income tax  
5 in such amount as appears to him from the best informa-  
6 tion obtainable by him, either by examination of the default-  
7 ing taxpayer or any other evidence, that such taxpayer is  
8 liable for; and in case of failure or neglect to make said  
9 list or return the said assessor of any city or town shall  
10 add fifty per centum as a penalty to the amount of tax due;  
11 and in case of a willfully false or fraudulent return or list  
12 having been rendered, the assessors shall add one hundred  
13 per centum as a penalty to said tax; the tax and the addi-  
14 tions thereto as a penalty to be assessed and collected the  
15 manner provided for in the case of failure to make returns  
16 or lists of personal property.

Sect. 7. In every respect not herein specified the returns  
2 for and the levy and collection of the tax provided in this  
3 act shall be subject to all the provisions of law relative to  
4 the assessment and collection of taxes on personal property.

Sect. 8. That it shall be unlawful for any city or town  
2 assessor or other officer charged with any duty in carrying  
3 out the provisions of this act to divulge or in any manner  
4 whatever make known the amount or source of income,  
5 profits, or expenditures, or any particular thereof, set forth

6 or disclosed in any income returns by any person or corpo-  
7 ration, or to permit any income return or copy thereof in  
8 any book containing any abstract or particulars thereof to  
9 be seen or examined by any person, except as provided by  
10 law; and it shall be unlawful for any person to print or  
11 publish in any manner whatever not provided by law any  
12 income return or any part thereof, or the amount or source  
13 of income, profits or expenditures, appearing in any income  
14 return; and any offense against the foregoing provisions  
15 shall be a misdemeanor, and be punished by a fine not ex-  
16 ceeding five hundred dollars or imprisonment not exceeding  
17 six months; and if the offender be an officer of the State  
18 or any county thereof, or deputy or employee, he shall on  
19 conviction be removed from office by the governor.