

MAINE STATE LEGISLATURE

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SEVENTY-EIGHTH LEGISLATURE

HOUSE

NO. 714

House of Representatives, March 30, 1917.

On motion of Mr. Dutton of Bingham, House voted to reconsider vote whereby bill was referred to Committee on Taxation. On motion of Mr. Allan of Portland to table the bill, House voted not to table bill. (On motion of Mr. Dutton of Bingham, to indefinitely postpone bill.) On motion of Mr. Coffin of Freeport, tabled for printing pending reference to a committee.

W. R. ROIX, Clerk.

Presented by Mr. Allan of Portland.

STATE OF MAINE

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

AN ACT to amend Chapter 9 of the Revised Statutes of 1916,
relating to the taxation of insurance companies.

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

Section 1. Chapter 9, Section 47, Revised Statutes, is
2 hereby amended by striking out the word "two" in the fifth
3 line and inserting in place thereof the words 'two and one-
4 quarter' so that said section as amended shall read as fol-
5 lows:

‘Sect. 47. Every life insurance company or association, organized under the laws of this state, in lieu of all other taxation, shall be taxed as follows: First, its real estate shall be taxed by the municipality in which such real estate is situated, in the same manner as other real estate is taxed therein. Second, it shall pay a tax of two and one-quarter per cent upon all premiums, whether in cash or notes absolutely payable, received from residents of this state during the year preceding the assessment, as hereinafter provided, first deducting therefrom all dividends paid to policyholders in this state on account of said premiums. Third, it shall pay a tax of one-half of one per cent a year on its surplus, computed according to the laws of this state, after deducting the value of its real estate in this state, as fixed in determining such surplus; said surplus shall be determined by the insurance commissioner, and his certificate thereof to the treasurer of state shall be final.’

Sect. 2. Chapter 9, Section 49, Revised Statutes, is hereby amended by striking out the words “one and one-half” in the eighth line and inserting in place thereof the words ‘one and three-quarters’ so that said section as amended shall read as follows:

‘Sect. 49. Every insurance company or association which does business or collects premiums or assessments in the state, except those mentioned in sections forty-seven and fifty-two including surety companies and companies engaged in the business of credit insurance or title insurance,

6 shall, as hereinafter provided, annually pay a tax upon all
7 premiums received, whether in cash or in notes absolutely
8 payable, on contracts made in the state for insurance for
9 life, property or interest therein, at the rate of one and
10 three-quarters per cent a year; provided, however, that no
11 tax shall be required on account of any premium paid or
12 assessment levied on policies of insurance issued on farm
13 property.'

Sect. 3. Chapter 9, Section 52, Revised Statutes, is here-
2 by amended by striking out the word "two" in the sixth
3 line and inserting in place thereof the words 'two and one-
4 quarter' so that said section as amended shall read as fol-
5 lows:

'Sect. 52. Mutual fire insurance companies incorporated
2 under the laws of other states, which insure only factories,
3 or mills, or property connected with such factories or mills,
4 admitted to do business in this state shall comply with all
5 the requirements of law except that in lieu of all other
6 taxation upon premiums in this state, such companies shall
7 annually pay a tax at the rate of two and one-quarter per
8 cent on gross premiums in force on risks in this state, after
9 deducting the unabsorbed portion of such premium, com-
10 puted at the rate of return actually made on annual policies
11 expiring during the year by said insurance companies.
12 Such companies shall, on or before the thirty-first day of
13 each January, make a return, under oath, to the insurance
14 commissioner, showing the gross premiums in force on

15 risks in this state on the thirty-first day of December pre-
16 vious and the unabsorbed portion of such premiums com-
17 puted at the rate of return actually made on annual poli-
18 cies expiring during the year, by said insurance companies.'

Sect. 4. Chapter 9, Section 55, is hereby amended by strik-
2 ing out the word "two" in the fifth line and inserting in
3 place thereof the words 'two and one-quarter' so that said
4 section as amended shall read as follows:

'Sect. 55. Every attorney, agent or other representative
2 by or through whom are issued policies or contracts of
3 indemnity of the kind referred to in sections ninety-five
4 to one hundred and two both inclusive, of chapter fifty-
5 three, in lieu of all other taxation, state, county or munici-
6 pal, in this state, shall annually pay a tax at the rate of
7 two and one-quarter per cent on gross premiums or de-
8 posits actually received during the year after deducting
9 amounts actually returned to policy holders as the unused
10 part of such premium or deposit, or such part as may be
11 credited on the renewal or extension of the indemnity.
12 Such attorney, agent or other representative shall, on or
13 before the thirty-first day of each January, make a return,
14 under oath, to the insurance commissioner showing the
15 gross premiums or deposits actually received during the
16 preceding calendar year and such unused part of such pre-
17 mium or deposit as has been returned to policy-holders or
18 credited on renewal or extension of the indemnity.'