

MAINE STATE LEGISLATURE

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SEVENTY-NINTH LEGISLATURE
HOUSE NO. 451

Reported by Mr. Allan from Committee on Taxation and
ordered printed under joint rules.

STATE OF MAINE

AN ACT to Exempt Certain Public Bonds from Taxation.

Section 1. Paragraph II of section six of chapter ten
2 of the revised statutes is hereby amended by inserting
3 after the word "corporation" in the third line thereof the
4 words, 'light and power district,' and by inserting after
5 the word "bonds" in the first line of said section the words
6 'notes and other obligations,' so that said paragraph as
7 amended shall read as follows:

2 'II. All bonds, notes and other obligations issued after
3 the first day of February, nineteen hundred and nine, by
4 the state of Maine, or any county, municipality, village

4 corporation, light and power district or water district
5 therein.'

Sect. 2. Section sixty-one of chapter nine of the revised
2 statutes is hereby amended by inserting after the words
3 "village corporation" in the ninth line thereof the words
4 'light and power district,' and by striking out after the
5 word "United States" in the seventh line thereof the word
6 "bonds," and inserting in place thereof the word 'obliga-
7 tions,' and by inserting between the word "bonds" and
8 the word "issued" in the seventh line thereof the words
9 'notes and other obligations,' so that said section as amend-
10 ed shall read as follows:

'Sect. 61. On and after the first day of July, nineteen
2 hundred and sixteen, the board of state assessors shall
3 determine the values of the several franchises of the said
4 banks and institutions according to the following rule, in-
5 stead of the rule given in the preceding section; from the
6 average amount of deposits, reserve fund and undivided
7 profits so returned by each bank or institution there shall
8 in each case be deducted an amount equal to the value so
9 determined of United States obligations, all bonds, notes
10 and other obligations issued after the first day of Feb-
11 ruary, nineteen hundred nine, by this state, or any county,
12 municipality, village corporation, light and power district
13 or water district therein, the shares of corporation stocks
14 such as are by law of this state free from taxation to the
15 stockholders, investments in such notes and bonds secured

16 by mortgages on real estate in this state as are exempt from
17 taxation in the hands of individuals, and the assessed value
18 of real estate owned by the bank or institution, and also
19 an amount equal to two-fifths of the value so determined
20 of such other assets, loans and investments as by such
21 statement appear to be loans to persons resident or cor-
22 porations located and doing business in this state, securi-
23 ties of this state, public or private, bonds issued by cor-
24 porations located and doing business in this state or guar-
25 anteed by such corporations, provided, the corporations is-
26 suing such bonds be operated by and physically connected
27 with such guaranteeing corporations, and also an amount
28 equal to two-fifths of the cash on hand and cash deposited
29 within the state.'

Sect. 3. Section seventy-two of chapter nine of the re-
2 vised statutes is hereby amended by inserting after the
3 word "corporation" in the fifth line thereof the words
4 'light and power district' and by striking out the word
5 "bonds" preceding the word "all" in the fourth line of said
6 section, and inserting the word 'obligations,' and inserting
7 after the word "bonds" and before the word "issued" in
8 the fourth line thereof the words 'notes and other obliga-
9 tions,' so that said section as amended shall read as fol-
10 lows:

'Sect. 72. The board of state assessors shall thereupon
2 deduct from the average amount of the time and interest
3 bearing deposits so returned, an amount equal to the value

4 so determined of the United States obligations, all bonds,
5 notes and other obligations issued after the first day of
6 February, nineteen hundred and nine, by this state, or any
7 county, municipality, village corporation, light and power
8 district or water district therein, the shares of corpora-
9 tion stocks such as are by law of this state free from taxa-
10 tion to stockholders, and upon the balance so found, assess
11 an annual tax of one-half of one per cent; one-half of said
12 tax shall be assessed on or before the fifteenth day of May
13 on the balance of said deposits so ascertained for the six
14 months ending on and including the last Saturday of March,
15 and one-half on or before the fifteenth day of November
16 on the balance of said deposits so ascertained for the six
17 months ending on and including the last Saturday of Sep-
18 tember. The board of state assessors shall thereupon cer-
19 tify said assessment to the treasurer of state, who shall
20 forthwith notify the several trust and banking companies
21 interested, and all taxes so assessed shall be paid semi-an-
22 nually within ten days after the fifteenth days of May and
23 November.'