

MAINE STATE LEGISLATURE

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EIGHTIETH LEGISLATURE

HOUSE

NO. 190

House of Representatives, February 25, 1921.

Referred to Committee on Judiciary and 500 copies ordered printed. Sent up for concurrence.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Cole of Eliot.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND
NINE HUNDRED AND TWENTY-ONE

AN ACT to Facilitate the Collection of Franchise Taxes of
Corporations Organized under the General Law.

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

Section 1. Section four of chapter fifty-one of the re-
vised statutes is hereby amended by inserting after the word
"of" in the third line of said section, the following, to wit:
'ten dollars as an office fee and in addition thereto the fol-
lowing sum, namely:' so that said section as amended shall
read as follows:

'Sect. 4. The certificate mentioned in the preceding sec-
tion shall not be received and filed by the secretary of state
except upon the payment to him of the sum of ten dollars

4 as an office fee and in addition thereto the following sum,
5 namely: the sum of fifteen dollars, if the capital stock does
6 not exceed five thousand dollars; twenty-five dollars if the
7 capital stock exceeds five thousand dollars, and does not
8 exceed ten thousand dollars; seventy-five dollars if the cap-
9 ital stock exceeds ten thousand dollars and does not exceed
10 fifty thousand dollars; one hundred and twenty-five dollars
11 if the capital stock exceeds fifty thousand dollars and does
12 not exceed one hundred thousand dollars; sixty dollars upon
13 every one hundred thousand dollars or fraction thereof in
14 excess of one hundred thousand dollars, if the capital stock
15 exceeds one hundred thousand dollars, which sum is to be
16 paid by the secretary of state to the treasurer of state for
17 the use of the state, provided, that the provisions of this
18 section shall not apply to corporations chartered for charit-
19 able and benevolent purposes.'

Sect. 2. Section six of said chapter fifty-one is hereby
2 amended by inserting after the word "of" in the ninth line
3 of said section, the following, to wit: 'ten dollars as an of-
4 fice fee and in addition thereto the following sum, namely:'
5 so that said section as amended, shall read as follows:

'Sect. 6. No certificate of organization of any corporation
2 for banking, insurance, construction and operation of rail-
3 roads, or aiding in the construction thereof, the business of
4 trust companies, or corporations intended to derive profit
5 from the loan or use of money, safe deposit companies, rent-
6 ing of safes and burglar- and fire-proof vaults, telegraph
7 and telephone companies, electric or gas light companies,

8 street railroad companies, water companies, or any cor-
9 poration authorized to exercise the right of eminent domain,
10 shall be received and filed by the secretary of state except
11 upon payment to him of ten dollars as an office fee and in
12 addition thereto the following sum, namely: twenty-five dol-
13 lars, if the capital stock does not exceed five thousand dol-
14 lars; fifty dollars if the capital stock exceeds five thousand
15 dollars and does not exceed ten thousand dollars; one hun-
16 dred dollars if the capital stock exceeds ten thousand dol-
17 lars and does not exceed fifty thousand dollars; two hun-
18 dred dollars if the capital stock exceeds fifty thousand dol-
19 lars, and does not exceed one hundred thousand dollars;
20 seventy-five dollars upon every one hundred thousand dol-
21 lars or fraction thereof in excess of one hundred thousand
22 dollars, if the capital stock exceeds one hundred thousand
23 dollars, which sum is to be paid by the secretary of state to
24 the treasurer of state for the use of the state.'

Sect. 3. Section nine of said chapter fifty-one is hereby
2 amended by striking all of said section after the word
3 "state" in the twenty-fourth line of said section and insert-
4 ing in place thereof the following, to wit: 'such corpora-
5 tion shall pay to the secretary of state the sum of ten dol-
6 lars as an office fee and in addition thereto, the following
7 sum, namely: when the amount of capital stock does not
8 exceed ten thousand dollars, ten dollars; when the amount
9 of capital stock exceeds ten thousand dollars and does not
10 exceed fifty thousand dollars, fifty dollars; when the amount
11 of capital stock exceeds fifty thousand dollars, ten dollars

12 for each one hundred thousand dollars of the capital stock:
13 which sum is to be paid by the secretary of state to the treas-
14 urer of state for the use of the state,' so that said section as
15 amended shall read as follows :

'Sect. 9. Before commencing business, the president, treas-
2 urer and majority of the directors shall prepare a certificate
3 setting forth the name and purposes of the corporation, the
4 amount of capital stock, the amount already paid in, the
5 par value of the shares, the names and residences of the
6 owners, the name of the county where it is located, and the
7 number and names of the directors, and the name and resi-
8 dence of the clerk, and shall sign and make oath to it; and
9 after it has been examined by the attorney general and been
10 by him certified to be properly drawn and signed and to be
11 conformable to the constitution and laws, it shall be recorded
12 in the registry of deeds in the county where said corporation
13 is located, in a book kept for that purpose, and within sixty
14 days after the day of the meeting at which such corpora-
15 tion is organized, a copy thereof certified by such register
16 shall be filed in the secretary of state's office, who shall en-
17 ter the date of filing thereon, and on the original certificate
18 to be kept by the corporation, and shall record said copy in
19 a book kept for that purpose. The oath to said certificate
20 may be made outside the state before a notary public, or a
21 commissioner appointed by the governor to take acknowl-
22 edgment of deeds in other states, by any subscriber to said
23 certificate who was actually present in the state at the meet-
24 ing for the organization of the corporation. All certificates

25 verified prior to the fourth day of July, nineteen hundred
26 and fifteen, outside the state before a notary public or such
27 commissioner shall be deemed to comply with this section.
28 Before said certificate is filed in the office of the secretary
29 of state, such corporation shall pay to the secretary of state
30 the sum of ten dollars as an office fee and in addition there-
31 to the following sum, namely: when the amount of capital
32 stock does not exceed ten thousand dollars, ten dollars;
33 when the amount of capital stock exceeds ten thousand dol-
34 lars and does not exceed fifty thousand dollars, fifty dol-
35 lars; when the amount of capital stock exceeds fifty thou-
36 sand dollars, ten dollars for each one hundred thousand dol-
37 lars of the capital stock; which sum is to be paid by the sec-
38 retary of state to the treasurer of state for the use of the
39 state.'

Sect. 4. Section twenty of said chapter fifty-one is here-
2 by amended by adding at the end of said section the follow-
3 ing, to wit: "The clerk and every director of any such cor-
4 poration delinquent in the payment of franchise taxes shall
5 promptly upon demand render to the attorney general or
6 his deputy such information within their power to impart,
7 relative to the affairs of such corporation, as either of said
8 officials may demand. In case of any wilful failure to ren-
9 der such information, the corporation and every corporate
10 officer responsible therefor shall be subject to the penalty
11 provided by section thirty-two of this chapter, and the char-
12 ter of such corporation may be forfeited in the manner pro-
13 vided by section twenty-two of chapter nine of the revised

14 statutes,' so that said section as amended shall read as fol-
15 lows :

'Sect. 20. Corporations shall have a president, directors,
2 clerk, treasurer and any other desirable officers. Such offi-
3 cers shall be chosen annually, and shall continue in office
4 until others are chosen and qualified in their stead. There
5 shall not be less than three directors, one of whom shall be
6 by them elected president. Directors must be and remain
7 stockholders, except that a member of another corporation,
8 which owns stock, and has a right to vote thereon, may be a
9 director. The treasurer shall give bond for the faithful dis-
10 charge of his duties, in such sum and with such sureties,
11 as are required. The clerk shall be sworn, and shall record
12 all votes of the corporation in a book kept for that purpose ;
13 nothing herein shall prohibit corporations from providing
14 by their by-laws for the division of their directors into
15 classes and their election for a longer term than one year.
16 After the certificate of organization required by law is filed
17 in the office of the secretary of state, directors of all cor-
18 porations not charged with the performance of any public
19 duty within the state may hold meetings without the state
20 and there transact business and perform all corporate acts
21 not expressly required by statute to be performed within
22 the state. Directors of such corporations may act through
23 committees whose powers shall be defined in the by-laws.
24 The clerk and every director of any such corporation delin-
25 quent in the payment of franchise taxes shall promptly upon
26 demand render to the attorney general or his deputy such

27 information within their power to impart, relative to the
28 affairs of such corporation, as either of said officials may
29 demand. In case of any wilful failure to render such in-
30 formation, the corporation and every corporate officer re-
31 sponsible therefor, shall be subject to the penalty provided
32 by section thirty-two of this chapter, and the charter of
33 such corporation may be forfeited in the manner provided
34 by section twenty-two of chapter nine of the revised stat-
35 utes.'

Sect. 5. Section twenty-four of said chapter fifty-one is
2 hereby amended by inserting after the word "election" in
3 the third line of said section, the words 'in the office of the
4 secretary of state and,' so that said section as amended shall
5 read as follows :

'Sect. 24. Whenever there is a change in the office of clerk
2 of a corporation, the clerk shall, within twenty days after
3 the acceptance of the office file a certificate of his election
4 in the office of the secretary of state and in the registry of
5 deeds in the county or district where the corporation is lo-
6 cated, or where it has a place of business or a general agent ;
7 and an attested copy of such certificate shall be sufficient
8 evidence that he is clerk, for service of process upon the
9 corporation, until another certificate has been filed.'

Sect. 6. Section twenty-five of said chapter fifty-one is
2 hereby amended by inserting after the word "the" at the end
3 of the second line of said section the words 'secretary of
4 state and the,' so that said section as amended shall read as
5 follows :

‘Sect. 25. The clerk of any corporation may resign his
2 office as clerk by filing his resignation with the secretary of
3 state and the register of deeds in the county where the cer-
4 tificate of his election was filed; if no such certificate of
5 election was filed, then his resignation may be filed with the
6 register of deeds in the county where such certificate of elec-
7 tion, ought according to law to have been filed; said resigna-
8 tion shall take effect from and after the time of the receipt
9 of the same by such register of deeds.’

Sect. 7. Section twenty-eight of said chapter fifty-one is
2 hereby amended by striking out the words “and such cor-
3 porations as have been or may hereafter be excused from
4 filing annual returns under the provisions of section thirty-
5 three of this chapter, so long as their franchises remain un-
6 used,” in the sixth, seventh and eighth lines of said section,
7 and by adding at the end of said section the following, to
8 wit: ‘In case any such corporation shall be without a presi-
9 dent or treasurer, or for any reason, the president or treas-
10 urer thereof are unable to make such return, any director
11 of such corporation is hereby authorized to make the same
12 as above provided, but in such case the return shall set forth
13 the reason why it is not made by the president or treasurer,’
14 so that said section as amended shall read as follows:

‘Sect. 28. Every corporation incorporated under the laws
2 of this state, excepting religious, charitable, educational and
3 benevolent corporations, and excepting such corporations
4 as may be organized under the first fourteen sections of
5 chapter sixty-two, and such corporations as are liable to a

6 franchise tax other than the tax provided for in section
7 eighteen of chapter nine, shall on or before the first day of
8 June, annually make a return to the secretary of state signed
9 by its president or treasurer, verified under oath, contain-
10 ing the names of its directors, president, treasurer and clerk,
11 with the residence of each, the location of its principal of-
12 fice in this state, and the amount of its authorized capital
13 stock; and for this purpose the secretary of state shall fur-
14 nish blanks in proper form and safely keep in his office all
15 such returns. In case any such corporation shall be with-
16 out a president or treasurer, or for any reason, the presi-
17 dent or treasurer thereof are unable to make such return,
18 any director of such corporation is hereby authorized to
19 make the same as above provided, but in such case the re-
20 turn shall set forth the reason why it is not made by the
21 president or treasurer.'

Sect. 8. Section twenty-nine of said chapter fifty-one is
2 hereby amended by inserting after the word "corporation"
3 in the fourth line of said section, the words 'and every such
4 delinquent officer,' and by adding at the end of said section
5 the following, to wit: 'and if there be such neglect or refusal
6 for two consecutive years, the charter of such corporation
7 shall be liable to forfeiture by the method provided in section
8 twenty-two of chapter nine of the revised statutes,' so that
9 said section as amended shall read as follows:

'Sect. 29. A deposit of the return required in the three
2 preceding sections in a post office, postage paid, properly
3 directed, is a compliance therewith. For the neglect or re-

4 fusal of its officer to make such return, the corporation and
5 every such delinquent officer, forfeits five hundred dollars,
6 to be recovered in an action of debt, to be prosecuted in the
7 name of the state by the attorney general, and if there be
8 such neglect or refusal for two consecutive years, the char-
9 ter of such corporation shall be liable to forfeiture by the
10 method provided in section twenty-two of chapter nine of
11 the revised statutes.'

Sect. 9. Section thirty of said chapter fifty-one is hereby
2 amended by striking out the word "shall" at the end of the
3 third line of said section and inserting in place thereof the
4 word 'may', so that said section as amended shall read as
5 follows:

'Sect. 30. Whenever any corporation or its officers neg-
2 lect to make to the secretary of state any return required by
3 law, the secretary of state shall forthwith notify the attor-
4 ney general, who may proceed at once, by action of debt in
5 the name of the state, to enforce the penalties therefor,
6 and shall make itemized return thereof in his annual report.
7 The secretary of state, on or before the first day of July,
8 annually, shall furnish the attorney general with a state-
9 ment showing which of said corporations, if any, have failed
10 to comply with the preceding section, with such other mem-
11 oranda from his office as will aid the attorney general in
12 obtaining service upon such delinquent corporation. In ad-
13 dition to said penalties, the following costs shall be recovered
14 in behalf of the state against said corporation, to wit: for
15 the attorney general, for the writ, an attorney fee, and travel

16 and attendance at court not exceeding two terms; and for
17 the state, such other costs as are legally taxable in actions
18 at law. Such action may be brought in any county.'

Sect. 10. Section thirty-three of said chapter fifty-one is
2 hereby repealed.

Sect. 11. Section forty-one of said chapter fifty-one is
2 hereby amended by striking out the word "treasurer" in
3 the twelfth line of said section and inserting in place thereof
4 the word 'secretary,' and by striking out the word "forty"
5 in the thirteenth line of said section, and inserting in place
6 thereof the words 'forty-five' and by striking out the word
7 "treasurer" in the fifteenth line of said section and inserting
8 in place thereof the word 'secretary,' and by inserting after
9 the word "sum" in the fifteenth line of said section the
10 words 'five dollars and' and by striking out all of said sec-
11 tion after the word "increase" in the sixteenth line of said
12 section and inserting in place thereof the following, to wit:
13 'which sum is to be paid by the secretary of state to the
14 treasurer of state for the use of the state,' so that said section
15 as amended shall read as follows:

'Sect. 41. If the stockholders of any corporation created
2 by special charter and not charged with the performance
3 of any public duty, or organized under the general laws of
4 the state, find that the amount of its capital stock is insuffi-
5 cient for the purposes for which said corporation is organ-
6 ized, or that the number of directors is inconvenient for
7 the transaction of its business, the stockholders may by a
8 vote representing a majority of the stock issued, increase

9 the amount of its capital stock to any amount, and may
10 change the number of directors in like manner, and the cor-
11 poration shall file a certificate thereof with the secretary of
12 state within ten days thereafter, and thereupon said vote
13 shall take effect. When the capital stock is increased from
14 ten thousand dollars or less to not exceeding five hundred
15 thousand dollars, the corporation shall pay to the secretary
16 of state for the use of the state the sum of forty-five dol-
17 lars. When the capital stock is increased to any amount
18 exceeding five hundred thousand dollars, it shall pay to
19 the secretary of state for the use of the state the sum of
20 five dollars and of ten dollars for each one hundred thou-
21 sand dollars of such increase, which sum is to be paid by
22 the secretary of state to the treasurer of state for the use
23 of the state.'

Sect. 12. Section forty-two of said chapter fifty-one is
2 hereby amended by striking out the word "treasurer" in
3 the fifth line of said section and inserting in place thereof
4 the word 'secretary,' and by striking out the words "twenty-
5 five" in the eighth line of said section and inserting in place
6 thereof the word 'thirty,' and by striking out the word "fif-
7 ty" in the tenth line of said section and inserting in place
8 thereof the words 'fifty-five,' and by striking out the words
9 "one hundred" in the twelfth line of said section and insert-
10 ing in place thereof the words 'one hundred and five,' and
11 by inserting after the word "pay" in the thirteenth line of
12 said section the words 'the sum of five dollars and,' and by
13 striking out all of said section after the word "thousand"

14 in the fifteenth line of said section and inserting in place
15 thereof the following, to wit: 'which sum is to be paid by
16 the secretary of state to the treasurer of state for the use
17 of the state,' so that said section as amended shall read as
18 follows:

'Sect. 42. Whenever any corporation created by special
2 act of the legislature and charged with the performance of
3 any public duty, or organized for any of the purposes enum-
4 erated in section six which are not subject to fees of a like
5 kind to those herein provided, increases its capital stock,
6 it shall pay to the secretary of state, for the use of the state,
7 the following fees. When the capital stock is increased
8 from five thousand dollars or less to not exceeding ten
9 thousand dollars, the corporation shall pay the sum of thirty
10 dollars. When the capital stock is increased from ten thou-
11 sand dollars to not exceeding fifty thousand dollars, it shall
12 pay the sum of fifty-five dollars. When the capital stock
13 is increased from fifty thousand dollars to not exceeding
14 one hundred thousand dollars, it shall pay the sum of one
15 hundred and five dollars. When the capital stock is in-
16 creased to any amount exceeding one hundred thousand dol-
17 lars, it shall pay the sum of five dollars and seventy-five
18 dollars upon every one hundred thousand dollars, or frac-
19 tion thereof, in excess of one hundred thousand, which sum
20 is to be paid by the secretary of state to the treasurer of
21 state for the use of the state.'

Sect. 13. Section fifty-one of said chapter fifty-one is here-
2 by amended by adding at the end of said section the follow-

3 ing, to wit: 'and shall have paid the filing fee required by
4 law to the secretary of state,' so that said section as amended
5 shall read as follows:

'Sect. 51. A corporation, at a legal meeting of its stock-
2 holders, may vote to change its name and adopt a new one;
3 and when the proceedings of such meeting relating to such
4 change of name, certified by the clerk thereof, are returned
5 to the office of the secretary of state to be recorded by him,
6 the name shall be deemed changed; and the corporation,
7 under its new name, has the same rights, powers and privi-
8 leges, and is subject to the same duties, obligations and lia-
9 bilities as before, and may sue and be sued by its new name;
10 but no action brought against it by its former name, shall
11 be defeated on that account, but on motion of either party,
12 the new name may be substituted therefor in the action;
13 provided, that whenever any corporation, required by law
14 to make returns to any official or department of the state,
15 shall change its name under the general laws of the state,
16 or under any special act of the legislature, such change shall
17 not take effect and such new name shall not be used until
18 said corporation shall have filed with said official or said
19 department a certified copy of the vote of the corporation
20 relative thereto, and shall have paid the filing fee required
21 by law to the secretary of state.'

Sect. 14. Section eighty-nine of said chapter fifty-one is
2 hereby amended by inserting after the word "stockholders"
3 in the thirteenth line of said section, the words 'and that
4 all franchise taxes due the State of Maine have been paid,'

5 so that said section as amended shall read as follows:

‘Sect. 89. Except where otherwise provided by statute,
2 whenever at any meeting of its stockholders, legally called
3 therefor, such stockholders vote to dissolve such corpora-
4 tion, a bill in equity against the same for dissolution thereof,
5 may be filed by any officer, stockholder or creditor in the
6 supreme judicial court, in the county in which it has an es-
7 tablished place of business, or in which it held its last stock-
8 holders’ meeting; upon said bill, such notice shall be given
9 as may be ordered by any justice of said court, in term time
10 or vacation, and upon proof thereof, such proceedings may
11 be had according to the usual course of suits in equity, that
12 said corporation shall be dissolved and terminated. Upon
13 proof that there are no existing liabilities against said cor-
14 poration, and no existing assets thereof, requiring distribu-
15 tion among the stockholders, and that all franchise taxes
16 due the State of Maine have been paid, said court may dis-
17 solve said corporation without the appointment of trustees
18 or receivers.’

Sect. 15. Section one hundred and eleven of chapter fifty-
2 one is hereby amended by striking out the word “treasurer”
3 in the third line of said section and inserting in place there-
4 of the word ‘secretary,’ and by adding after the word “dol-
5 lars” in said third line the words ‘which sum is to be paid
6 by the secretary of state to the treasurer of state,’ so that
7 said section as amended shall read as follows:

‘Sect. III. Every such foreign corporation shall annually,
2 on or before the first day of March, pay to the secretary of

3 state for the use of the state a license fee of ten dollars,
4 which sum is to be paid by the secretary of state to the treas-
5 urer of state. It shall also annually within thirty days after
6 the date fixed for its annual meeting, or within thirty days
7 after the final adjournment of said meeting, but not more
8 than three months after the date fixed for said meeting, pre-
9 pare and file in the office of the secretary of state, a certifi-
10 cate signed and sworn to by its president, treasurer or clerk,
11 showing the change or changes, if any, in the particulars
12 included in the certificate required by section one hundred
13 and eight made since the filing of said certificate or of the
14 last annual report. If no changes have occurred, a certifi-
15 cate to that effect shall be sufficient.'

Sect. 16. Section thirteen of chapter one hundred and
2 eighteen of the revised statutes is hereby amended by strik-
3 ing out the words "For receiving, filing and recording copy
4 of certificate of organization of a corporation organized un-
5 der chapter fifty-one, and for filing certificate of increase
6 of capital stock under section forty-two of said chapter,
7 five dollars in advance," in the eleventh, twelfth, thirteenth
8 and fourteenth lines of said section, and by inserting in
9 place thereof the following, to wit: 'For receiving, filing
10 and recording copy of proceedings for reduction of capital
11 stock under section forty-six of chapter fifty-one of the re-
12 vised statutes, five dollars in advance,' so that said section
13 as amended shall read as follows:

'Sect. 13. The secretary of state shall receive:

For a certificate under the seal of the state, one dollar; and
2 for all copies, at the rate of twelve cents a page, if such cer-
3 tificate or copies are for the benefit of particular persons.

For filing and recording a certificate of trade-mark, three
2 dollars; for recording assignment of trade-mark rights, one
3 dollar; for the certificate of the record of a label, trade-
4 mark, device or form of advertisement adopted by any as-
5 sociation or union of workingmen, two dollars.

For recording notice of a change in the charter or certifi-
2 cate of organization of a corporation, five dollars in advance.

For receiving, filing and recording copy of proceedings for
2 reduction of capital stock under section forty-six of chapter
3 fifty-one of the revised statutes, five dollars in advance.

For receiving, filing and recording certificate of officers
2 of a proposed insurance company, and issuing certificate of
3 organization, twenty dollars; for receiving and filing certifi-
4 cate of increase of capital stock of an insurance company,
5 ten dollars.

For receiving, filing and recording certificate of officers
2 of a proposed fraternal beneficiary association, and issuing
3 certificate of organization, five dollars.

For recording contract of conditional sale of railroad equip-
2 ment or written declaration of satisfaction of same, five dol-
3 lars; and for noting declaration of the satisfaction of such
4 contract on the margin of the record, one dollar.

For filing power of attorney of a foreign corporation, un-
2 der section one hundred and seven of chapter fifty-one, ten
3 dollars; for filing instrument revoking such power of attor-

4 ney, five dollars; for filing copy of charter and by-laws, un-
5 der section one hundred and eight of said chapter, ten dol-
6 lars additional; for filing certificate of increase or reduc-
7 tion of stock of a foreign corporation, ten dollars.'

Sect. 17. Section fifteen of chapter one hundred and eight-
2 een is hereby repealed.

Sect. 18. Section nineteen of chapter nine of the revised
2 statutes is hereby amended by striking out the words "into
3 the state treasury" in the sixth line of said section and in-
4 serting in place thereof the words 'to the secretary of state,'
5 and by adding at the end of said section the following, to
6 wit: 'which sum is to be paid by the secretary of state to
7 the treasurer of state for the use of the state,' so that said
8 section as amended shall read as follows:

'Sect. 19. The board of state assessors shall, on or before
2 the first day of July, annually, assess the tax provided by
3 the preceding section upon the authorized capital stock of
4 each of said corporations and shall certify the same to the
5 secretary of state, who shall thereupon notify each of said
6 corporations of the amount of said tax assessed to it, and
7 such tax shall become due and payable from said corpora-
8 tion to the secretary of state, on the first day of September,
9 thereafter, which sum is to be paid by the secretary of state
10 to the treasurer of state for the use of the state.'

Sect. 19. Section twenty of said chapter nine is hereby
2 amended by adding at the end of said section the following,
3 to wit: 'and shall constitute a prior lien upon all the assets

4 of said corporation,' so that said section as amended shall
5 read as follows:

'Sect. 20. Such tax shall be a debt due from such corpora-
2 tion to the state, for which an action of debt may be main-
3 tained after the same shall have been in arrears for a period
4 of one month; such tax shall also be a preferred debt in
5 case of insolvency under the laws of this state, or in any
6 process of liquidation in the courts, and shall constitute a
7 prior lien upon all the assets of said corporation.'

Sect. 20. Section twenty-two of said chapter nine is here-
2 by amended by striking out the word "treasurer" in the first
3 line of said section, and inserting in place thereof the word
4 'secretary' and by striking out the word "shall" after the
5 word "who" in the fourth line of said section and inserting
6 in place thereof the word 'may', and by adding at the end
7 of said section the following, to wit: 'If such corporation
8 has no assets within the State of Maine or if the assets of
9 such corporation within this state are insufficient to pay
10 the expenses of such proceedings, the taxes due the state
11 and the proven claims of Maine creditors, the court may
12 order said corporation to assign and transfer to the receiver
13 or receivers, all patents, choses in action, and such other
14 personal property as might lawfully be subject to such or-
15 der, to be administered under the provisions of this section.
16 In default of such transfer, the court may appoint a trustee
17 or trustees for such purpose,' so that section as amended
18 shall read as follows:

Sect. 22. The secretary of state, whenever any tax due
2 under the four preceding sections from any company shall
3 have remained in arrears for a period of six months after
4 the same shall have become payable, shall report the same
5 to the attorney general, who may forthwith apply to the
6 supreme judicial court in equity in the name of the state,
7 for the forfeiture of the charter of such delinquent corpora-
8 tion, and said court shall order such notice to all parties
9 interested as it may deem proper and shall have jurisdiction
10 in said cause to appoint receivers, issue injunctions and
11 pass interlocutory decrees and orders according to the usual
12 course of proceedings in equity, and to make such final or-
13 ders and decrees as the nature of the case may require. If
14 such corporation has no assets within the State of Maine or
15 if the assets of such corporation within this state are in-
16 sufficient to pay the expenses of such proceedings, the taxes
17 due the state and the proven claims of Maine creditors, the
18 court may order said corporation to assign and transfer to
19 the receiver or receivers, all patents, choses in action, and
20 such other personal property as might lawfully be subject
21 to such order, to be administered under the provisions of
22 this section. In default of such transfer, the court may
23 appoint a trustee or trustees for such purpose.'

Sect. 21. Sections twenty-three and twenty-four of said
2 chapter nine are hereby repealed.

Sect. 22. If any corporation organized under the general
2 law shall for two consecutive years neglect or refuse to
3 pay its franchise taxes to the State of Maine, the charter

4 of such corporation shall be void and all powers conferred
5 by law upon such corporation shall become inoperative, un-
6 less the governor, for good cause shown, shall give further
7 time for the payment of such tax or taxes, in which case
8 a certificate thereof shall be filed by him in the office of the
9 secretary of state, stating the reasons therefor.

On or before the first Tuesday of January in each year,
2 the secretary of state shall report to the governor a list of
3 all corporations which for two years next preceding such
4 report have failed to pay the franchise taxes assessed against
5 them under the laws of said state, and the governor shall
6 forthwith issue his proclamation declaring that the charters
7 of such corporations are repealed. Such proclamation shall
8 be filed in the office of the secretary of state and published
9 in such newspapers and for such length of time as the gov-
10 ernor in said proclamation shall designate. Any person
11 who shall exercise or attempt to exercise any powers under
12 the charter of such corporation after the issuance of such
13 proclamation shall be deemed guilty of misdemeanor and
14 shall be punished by imprisonment not exceeding one year
15 or by fine not exceeding one thousand dollars or both.

Any corporation whose charter has been terminated in
2 the manner provided by this section may procure the rein-
3 statement thereof by the payment to the secretary of state,
4 for the use of the state, within one year from the date of
5 such proclamation of the aggregate amount of unpaid fran-
6 chise taxes, including any tax which would have accrued
7 subsequent to such proclamation if the charter had not been

8 suspended, and the sum of five dollars for expense of adver-
9 tising, clerical work, etc.

Sect. 23. Whenever any corporation franchise tax in the
2 opinion of the attorney general is not collectable in full,
3 the governor and council on the recommendation of the at-
4 torney general may authorize the acceptance in settlement of
5 such tax of a sum not less than fifty per cent of the amount
6 thereof.