

# MAINE STATE LEGISLATURE

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# EIGHTY-SECOND LEGISLATURE

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**S. P. No. 478**

**S. D. No. 184**

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In Senate, March 10, 1925.

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

ROYDEN V. BROWN, Secretary.

Presented by Senator Maher of Kennebec.

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## STATE OF MAINE

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

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AN ACT to Amend Certain Acts Relating to Corporations.

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

Section 1. Section nine of chapter fifty-one of the revised  
2 statutes, is hereby amended by striking out all of said sec-  
3 tion and inserting in place thereof, the following:

‘Sect. 9. Before commencing business the president, treas-  
2 urer, and majority of the directors shall prepare a certifi-  
3 cate setting forth the name and purposes of the corpora-  
4 tion, the amount of capital stock, the amount already paid  
5 in, the par value of the shares, the names and residences  
6 of the owners, the name of the county where it is located,  
7 and the number and names of the directors, and the name

8 and residence of the clerk and shall sign and make oath  
9 to it; and after it has been examined by the attorney gen-  
10 eral, and been by him certified to be properly drawn and  
11 signed and to be conformable to the constitution and laws,  
12 it shall be recorded in the registry of deeds in the county  
13 where said corporation is located, in a book kept for that  
14 purpose, and within sixty days after the day of the meet-  
15 ing at which such corporation is organized, a copy thereof  
16 certified by such register shall be filed in the secretary of  
17 state's office, who shall enter the date of filing thereon, and  
18 on the original certificate to be kept by the corporation,  
19 and shall record said copy in a book kept for that purpose.  
20 The oath to said certificate may be made outside the state  
21 before a notary public, or a commissioner appointed by the  
22 governor to take acknowledgements of deeds in other states,  
23 by any subscriber to said certificate who was actually pres-  
24 ent in the state at the meeting for the organization of the  
25 corporation. All certificates verified prior to the fourth  
26 day of July, nineteen hundred and fifteen, outside the state  
27 before a notary public or such commissioner shall be deemed  
28 to comply with this section. Before said certificate is filed  
29 in the office of the secretary of state, when the amount of  
30 capital stock does not exceed ten thousand dollars, such  
31 corporation shall pay to the secretary of state for the use  
32 of the state the sum of ten dollars; when the amount of  
33 the capital stock exceeds ten thousand dollars and does not  
34 exceed five hundred thousand dollars, it shall pay to the

35 secretary of state for the use of the state, the sum of fifty  
36 dollars; when the amount of the capital stock exceeds five  
37 hundred thousand dollars, it shall pay to the secretary of  
38 state for the use of the state ten dollars for each one hun-  
39 dred thousand dollars of the capital stock.'

Sect. 2. Section twenty-eight of the same chapter is here-  
2 by amended by striking out the word "June" in the ninth  
3 line thereof and inserting in place thereof the word 'Au-  
4 gust,' so that said section, as amended, shall read as fol-  
5 lows:

'Sect. 28. Every corporation incorporated under the laws  
2 of this state, excepting religious, charitable, educational and  
3 benevolent corporations, and excepting such corporations as  
4 may be organized under the first fourteen sections of chap-  
5 ter sixty-two, and such corporations as are liable to a fran-  
6 chise tax other than the tax provided for in section eighteen  
7 of chapter nine, and such corporations as have been or  
8 may hereafter be excused from filing annual returns under  
9 the provisions of section thirty-three of this chapter, so  
10 long as their franchises remain unused, shall on or before  
11 the first day of August, annually, make a return to the sec-  
12 retary of state, signed by its president or treasurer, verified  
13 under oath, containing the names of its directors, president,  
14 treasurer, and clerk, with the residence of each, the loca-  
15 tion of its principal office in this state, and the amount of  
16 its authorized capital stock; and for this purpose the sec-  
17 retary of state shall furnish blanks in proper form and  
18 safely keep in his office all such returns.'

Sect. 3. Section thirty of the same chapter is hereby  
2 amended by striking out the word "July" in the sixth line  
3 and inserting in place thereof the word 'September,' so that  
4 said section, as amended, shall read as follows:

'Sect. 30. Whenever any corporation or its officers neg-  
2 lect to make to the secretary of state any return required  
3 by law, the secretary of state shall forthwith notify the  
4 attorney general who shall proceed at once by action of  
5 debt in the name of the state, to enforce the penalties there-  
6 for, and shall make itemized return thereof in his annual  
7 report. The secretary of state, on or before the first day  
8 of September, annually, shall furnish the attorney general  
9 with a statement showing which of said corporations, if  
10 any, have failed to comply with the preceding section, with  
11 such other memoranda from his office as will aid the at-  
12 torney general in obtaining service upon such delinquent  
13 corporation. In addition to said penalties, the following  
14 costs shall be recovered in behalf of the state against said  
15 corporation, to wit; for the attorney general, for the writ,  
16 an attorney fee, and travel and attendance at court not  
17 exceeding two terms; and for the state, such other costs  
18 as are legally taxable in actions at law. Such action may  
19 be brought in any county.'

Sect. 4. Section forty-one of the same chapter, as amend-  
2 ed by chapter twenty-eight of the public laws of nineteen  
3 hundred twenty-one, is hereby further amended by striking  
4 out all of said section, and inserting in place thereof the  
5 following:

‘Sect. 41. If the stockholders of any corporation heretofore or hereafter created by special charter and not charged with the performance of any public duty, or organized under the general laws of the state, find that the amount of its capital stock is insufficient for the purposes for which said corporation is organized, or that the number of its directors is inconvenient for the transaction of its business, or that its purposes are inadequate, the stockholders at any annual or special meeting, the call for which shall give notice of the proposed change, may, by a vote representing a majority of the stock issued, increase the amount of its capital stock to any amount, change the number of its directors, and change its purposes by altering, abridging or enlarging the same, and the corporation shall file a certificate setting forth such changes with the secretary of state, who shall duly record the same, within twenty days thereafter, and thereupon said vote shall take effect; provided, that all certificates of change of purposes shall be submitted to the attorney general for examination and shall not be filed until it has been certified by him to be properly drawn and signed and to be conformable to the constitution and laws and that he is satisfied that such changes are made in good faith and not for the purpose of avoiding payment of fees or taxes to the state. When the capital stock is increased from ten thousand dollars or less to not exceeding five hundred thousand dollars, the corporation shall pay to the secretary of state for the use of the state the sum of forty dollars. When the capital stock is in-

29 creased to any amount exceeding five hundred thousand  
30 dollars, it shall pay to the secretary of state for the use  
31 of the state the sum of ten dollars for each one hundred  
32 thousand dollars of such increase. For every change of  
33 purposes the corporation shall pay to the secretary of state  
34 for the use of the state the sum of twenty dollars before  
35 he shall be authorized to receive any certificate of change  
36 of purposes or increase of capital stock. The provisions  
37 of this section with reference to change of corporate pur-  
38 poses shall not apply to specially chartered corporations.'

Sect. 5. Section forty-two of the same chapter is amended  
2 by striking out all of said section, and inserting in place  
3 thereof the following:

'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 enu-  
4 merated in section six which are not subject to fees of a  
5 like kind to those herein provided, increases its capital stock,  
6 it shall pay to the secretary of state, for the use of the  
7 state, the following fees before it shall be authorized to  
8 receive any certificate of any increase of capital stock:  
9 When the capital stock is increased from five thousand dol-  
10 lars or less to not exceeding ten thousand dollars, the cor-  
11 poration shall pay the sum of twenty-five dollars; when the  
12 capital stock is increased from ten thousand dollars to not  
13 exceeding fifty thousand dollars, it shall pay the sum of  
14 fifty dollars; when the capital stock is increased from fifty

15 thousand dollars to not exceeding one hundred thousand  
16 dollars, it shall pay the sum of one hundred dollars; when  
17 the capital stock is increased to any amount exceeding one  
18 hundred thousand dollars, it shall pay seventy-five dollars  
19 upon every one hundred thousand dollars or fraction there-  
20 of, in excess of one hundred thousand.'

Sect. 6. Section one hundred eleven of the same chapter  
2 is hereby amended by striking out the word "treasurer"  
3 in the third line and inserting in place thereof the word  
4 'secretary,' so that said section, as amended, shall read as  
5 follows:

'Sect. III. Every such foreign corporation shall annually,  
2 on or before the first day of March, pay to the secretary  
3 of state for the use of the state a license fee of ten dollars.  
4 It shall also annually within thirty days after the date fixed  
5 for its annual meeting, or within thirty days after the final  
6 adjournment of said meeting, but not more than three  
7 months after the date fixed for said meeting, prepare and  
8 file in the office of the secretary of state, a certificate signed  
9 and sworn to by its president, treasurer or clerk, showing  
10 the change or changes, if any, in the particulars included  
11 in the certificate required by section one hundred and eight  
12 made since the filing of said certificate or of the last an-  
13 nual report. If no changes have occurred, a certificate to  
14 that effect shall be sufficient.'

Sect. 7. Section one hundred eighteen of chapter one  
2 hundred forty-four of the public laws of nineteen hundred



3 seventeen, as amended by chapter two hundred twenty-four  
4 of public laws of nineteen hundred twenty-one, is hereby  
5 further amended by adding after the word "stock" in the  
6 fourth line thereof the words 'and upon paying the fee pro-  
7 vided for recording the notice of a change in the charter  
8 or certificate of organization,' so that said section, as amend-  
9 ed, shall read as follows:

'Sect. 118. Any corporation, the organization of which is  
2 authorized under this chapter, having outstanding shares  
3 with par value, may, at a meeting duly called and held for  
4 the purpose, by vote of the holders of two-thirds of its out-  
5 standing stock, and upon paying the fee provided for re-  
6 cording the notice of a change in the charter or certificate  
7 of organization, change such shares or any class thereof  
8 into an equal number of shares without par or face value,  
9 or provide for the exchange thereof pro rata for an equal  
10 or different number of shares without par or face value,  
11 provided the preferences, rights, limitations, privileges and  
12 restrictions lawfully granted or imposed with respect to the  
13 outstanding shares, so changed or exchanged, shall not be  
14 impaired, diminished or changed without the consent of all  
15 the holders thereof, such preferences, rights, limitations,  
16 privileges and restrictions, however, to be expressed in dol-  
17 lars or cents per share rather than by reference to par or  
18 face value.'

Sect. 8. Section one hundred twenty of chapter two hun-  
2 dred twenty-four of the public laws of nineteen hundred

3 twenty-one, is hereby amended by striking out all of said  
4 section, and inserting in place thereof, the following:

‘Sect. 120. Before filing the certificate of incorporation  
2 or any certificate of increase in the number of shares of  
3 a corporation having shares without nominal or par value,  
4 there shall be paid to the secretary of state for the use of  
5 the state one cent per share on all shares authorized in ex-  
6 cess of the last prior authorization, but in no case less than  
7 ten dollars. The amount of the annual franchise tax to  
8 be paid to the state in the case of such corporations shall  
9 be five mills per share on all shares authorized, but in no  
10 case less than ten dollars.’