

# MAINE STATE LEGISLATURE

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EIGHTY-THIRD LEGISLATURE

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House Document

No. 53

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H. P. 187

House of Representatives, Feb. 1, 1927.

On motion of Mr. Page of Skowhegan, tabled pending reference to a committee and 1000 copies ordered printed.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Patterson of Castine.

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STATE OF MAINE

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

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AN ACT Establishing a Low Rate Tax on Intangible Personal  
Property in Accordance with Constitutional Amendment  
Permitting the Same.

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

Section 1. Intangible personal property of the classes  
2 hereinafter enumerated, belonging to the inhabitants of this  
3 state, shall hereafter be subject to an annual tax of two  
4 and one-half mills on each dollar of the fair cash value  
5 thereof, viz: money on hand, on deposit, or at interest, and  
6 other debts due the person to be taxed; public stocks and  
7 securities; all stocks, bonds, and notes or other evidence  
8 of indebtedness of all corporations within or without the  
9 state; all annuities payable to the person to be taxed, when

10 the capital of such annuity is not taxed in this state; and  
11 such property, above described, is hereby exempted from  
12 all taxation other than that imposed by this act; but nothing  
13 in this act shall be so construed as to apply to any property  
14 exempted from taxation by law; and intangible personal  
15 property upon which no interest or dividends shall be actu-  
16 ally paid, shall not be valued at all for purposes of taxation  
17 under this act.

Sect. 2. Nothing in section one shall be so construed as  
2 to affect the method now in use for the taxation of savings  
3 banks and trust companies.

Sect. 3. Nothing in section one shall be so construed as  
2 to affect the method now in use for the taxation of shares  
3 of stock of trust companies organized under the laws of  
4 this state, and banking institutions formed under the laws  
5 of the United States.

Sect. 4. Stock now taxable under section thirty-one, chap-  
2 ter ten, of the revised statutes, shall be assessed by the  
3 board of state assessors, and the state has a lien on such  
4 stock and all dividends thereon from the date of assessment  
5 until such tax and all costs and expenses arising in the  
6 collection thereof are paid. No assignment, sale, transfer  
7 or attachment passes any property in such stock unless the  
8 vendee first pays such tax and cost.

Sect. 5. The tax levied upon the classes of property  
2 enumerated in section one shall be assessed to the owner  
3 on the first day of April. On or before the said first day

4 of April in each year the owner shall make to the board  
5 of state assessors a general return of his intangible prop-  
6 erty, defined in section one of this act, and shall place a  
7 valuation of each class. Said return, containing the general  
8 classification of intangible property as specified in section  
9 one of this act, shall be made on a blank made up by the  
10 board of state assessors, and no oath shall be required upon  
11 said return. The board of state assessors shall furnish said  
12 blanks to the local assessors of the cities, towns, and plan-  
13 tations, for distribution to such owners of intangible prop-  
14 erty as may apply therefor. Such return shall be open to  
15 the board of state assessors, and its assistants and clerks,  
16 when acting under its authority, but the information in the  
17 return shall be disclosed to no other person except by order  
18 of court, and any assessor or other person who shall un-  
19 lawfully disclose information contained in the return shall  
20 be prosecuted by the attorney general and liable to a fine  
21 of not less than one hundred dollars or more than five  
22 hundred dollars. Every guardian, trustee, executor, admin-  
23 istrator, agent or receiver, and every other person or cor-  
24 poration acting in a fiduciary capacity, holding personal  
25 intangible property liable to taxation as aforesaid, for such  
26 person, ward, beneficiary, deceased or incompetent person  
27 whom he represents or succeeds on the first day of January  
28 in each year, shall make the return required in this act.

Sect. 6. The board of state assessors shall ascertain as  
2 nearly as possible the particulars of the personal estate

3 taxable under this act of any person or corporation not  
4 making such return required in section five, or for whom  
5 such return has not been made, before the date specified  
6 in section five of this act, and shall estimate the just value  
7 of such estate according to its best information and belief.  
8 It shall add thereto, as a penalty, twenty per cent of the  
9 estimated value of such property, and such estimate, with  
10 the penalty of twenty per cent, shall be entered in the valu-  
11 ation books, and shall be conclusive upon any person or  
12 corporation not seasonably bringing in a list of property  
13 taxable under this act, as enumerated in section one, unless  
14 such person or corporation can show a satisfactory excuse  
15 for the omission, in which case the twenty per cent, added  
16 as penalty, may be deducted.

Sect. 7. The board of state assessors, on written appli-  
2 cation stating the grounds therefor, within one year from  
3 the assessment, may make such reasonable abatement as it  
4 thinks proper. It shall keep in suitable book form, a record  
5 of such abatements, with the reason for each. It shall give  
6 its decision upon any application for abatement within sixty  
7 days from date of application therefor.

Sect. 8. Any person aggrieved by a decision of the board  
2 of state assessors under the preceding section may appeal  
3 to the supreme judicial court of the county in which he  
4 resides. Such appeal shall be entered at the term first  
5 occurring, not less than thirty days after the board shall  
6 have given the appellant notice in writing of its decision

7 upon his application for such abatement; and notice there-  
8 on shall be ordered by said court in term time or by any  
9 justice thereof in vacation and said appeal shall be tried,  
10 heard and determined by the court without a jury, in the  
11 manner and with the rights provided by law in other civil  
12 cases so heard.

Sect. 9. If upon such appeal it appears that the appellant  
2 has complied with all provisions of law, he may be granted  
3 such abatement as the court may deem reasonable. If no  
4 abatement is granted, judgment shall be rendered in favor  
5 of the state and for its costs as taxed by the court. If an  
6 abatement is granted judgment shall be rendered in favor  
7 of the state for such amount, if any, as may be due after  
8 deducting the abatement, and the court may make such  
9 order relating to the payment of costs as justice shall re-  
10 quire. In either case execution shall issue. The final judg-  
11 ment of the court shall be forthwith certified by the clerk  
12 to the board of state assessors and the board shall, in all  
13 cases, carry into full effect the judgment. If it be alleged  
14 in the application that the appellant has paid the taxes for  
15 which he has been assessed, and if the court shall so find,  
16 judgment for the amount of the abatement granted shall  
17 be rendered against the state, and execution therefor, and  
18 for such costs as may be awarded, shall issue.

Sect. 10. Such appeal shall be tried at the term to which  
2 the notice is returnable, unless delay shall be granted for  
3 good cause; and said court shall, if requested by the board

4 of state assessors, advance the case upon the docket so that  
5 it may be tried and decided with as little delay as possible.  
6 Either party may file exceptions to the decisions and rulings  
7 of the court upon matters of law arising upon the trial, in  
8 the same manner and with the same effect as is allowed in  
9 the supreme judicial court in the trial of cases with a jury.

Sect. 11. The court may in its discretion appoint a com-  
2 missioner to hear the parties, and to report to the court the  
3 facts, or the facts with the evidence. Such report shall be  
4 prima facie evidence of the facts thereby found. The fees  
5 of the commissioner shall be paid in the same manner as  
6 those of auditors appointed by the court.

Sect. 12. The board of state assessors shall assess the  
2 tax at the uniform rate of two and one-half mills, as speci-  
3 fied in section one, upon the property disclosed in the return  
4 as originally made out, or as amended, and notify the owner  
5 of the amount of tax due, on or before the first day of June  
6 in each year. If the tax is not paid on or before the first of  
7 September in each year, the state treasurer shall proceed  
8 to collect the tax. The state shall have a lien upon any  
9 intangible property from the date of assessment. No assign-  
10 ment, sale, transfer or attachment passes any property in  
11 such intangible property unless the tax and costs are first  
12 paid by the vendee.

Sect. 13. An action of debt to recover the amount of  
2 taxes assessed under this act shall be in the name of the  
3 state treasurer.

Sect. 14. The board of state assessors shall not include  
2 the valuation of intangible property, assessed under this act,  
3 in making the state valuation on which is based the appor-  
4 tionment of state tax. Of the taxes paid under the provi-  
5 sions of this act, one-tenth shall be retained by the state  
6 treasurer for the use of the state, and the remainder shall  
7 be paid by the state treasurer to the treasurers of the cities,  
8 towns and plantations in the proportions that the intangible  
9 property in the city, town or plantation bears to the total  
10 amount of intangible property taxed under this act.

Sect. 15. In order to carry out the provisions of this act  
2 the board of state assessors is authorized to employ neces-  
3 sary assistants and clerks, at an expense not to exceed six  
4 thousand dollars yearly, to be allowed by the governor and  
5 council.

Sect. 16. All acts and parts of acts inconsistent with this  
2 act are hereby repealed.

Sect. 17. This act shall take effect January first, nineteen  
2 hundred and twenty-eight.