MAINE STATE LEGISLATURE

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EIGHTY-THIRD LEGISLATURE

House Document   No. 274

STATE OF MAINE

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

AN ACT to Provide an Excise Tax upon Tobacco Products.

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

   Section 1.   There shall be and hereby is levied and im-
2 posed an excise tax of five per cent. on the wholesale price
3 of cigars, cigarettes, smoking tobacco, chewing tobacco,
4 snuff and all tobacco products sold within the state except-
5 ing such products as are for exportation from the state by
6 firms or individuals whose business is to sell and furnish by
7 wholesale.

   Sect. 2.   *Distributor to file certificate with state auditor.*
2 Each and every distributor of cigars, cigarettes, smoking
3 tobacco, chewing tobacco and other tobacco products as
4 come within this act shall file a duly acknowledged certifi-

5 cate with the state auditor on forms prescribed and fur-
6 nished by said auditor, which shall specify the name under
7 which the distributor is transacting business within the
8 state, the place or places of business, the location of dis-
9 tributing agencies, the names and post office addresses of
10 the several persons constituting the partnership or firm,
11 and if a corporation its corporate name, and the names
12 and addresses of agents within this state. No distributor
13 as herein defined shall sell or distribute or cause to be sold
14 or distributed any of the articles prescribed in this act un-
15 til such certificate is filed with the state auditor.

Sect. 3. *Terms defined.* "Distributor" shall mean any
2 person, association of persons, firm or corporation whether
3 located within this state or otherwise who imports or
4 causes to be imported for sale or for his own use any of
5 the tobaccos or tobacco products set forth in this act.

Sect. 4. *Distributor entitled to compensation.* The dis-
2 tributor paying or becoming liable to pay the tax herein
3 levied and imposed shall be entitled to collect as a part of
4 the selling price of the article sold and imported into the
5 state five per cent. only in lieu of such tax.

Sect. 5. *Report of sales shall be made for the preceding*
2 *quarter on the fifteenth day of July, October, January and*
3 *April, the final report to be made October fifteenth, nine-*
4 *teen hundred and twenty-seven.* Every distributor shall on
5 or before the fifteenth day of October, January, April and
6 July render a report to the state auditor stating the amount

7 of sales of each article named in the act together with the
8 wholesale price of the same, and such report shall contain
9 such additional information as the auditor may require.

Sect. 6. *Payment to be made on or before the fifteenth*
2 *of each month succeeding the filing of the report.* On or
3 before the fifteenth day of each month following the filing
4 of the report required herein each and every distributor
5 importing or causing to be imported such articles as are
6 covered in the act shall pay to the treasurer of this state
7 five per cent. of the sales price of all cigars, cigarettes,
8 smoking tobacco, chewing tobacco, snuff and all other to-
9 bacco products.

Sect. 7. *Auditor shall report to treasurer on the first day*
2 *of each month following distributor's statement.* On or be-
3 fore the first day of the month succeeding the filing of the
4 report by the distributor, the state auditor shall transmit
5 to the state treasurer a satement which shall show all taxes
6 due from each distributor under the requirements of this
7 act.

Sect. 8. *Persons attempting to evade tax liable to fine.*
2 Any person, persons or firms who receive articles listed
3 in this act in such form or under such circumstances as to
4 avoid the tax herein provided shall be considered as a dis-
5 tributor and shall be subject to twice the amount of tax
6 herein imposed.

Sect. 9. *The proceeds of this tax used for development*
2 *of Maine and schools.* The proceeds of this tax shall be

3 used, one-fourth of the amount for the compilation and

4 publication of data regarding the agricultural, industrial

5 and recreational resources of Maine to be administered by

6 such agency as the legislature may provide; one-fourth

7 shall be placed in the state school fund to be distributed

8 according to the provisions of the state school fund act;

9 the remainder of the proceeds shall be used for rural school

10 improvement, to be applied to all towns whose tax rate

11 for schools and for municipal purposes shall equal or ex-

12 ceed the averages of such rates in the state, and may be

13 apportioned for such items as transportation of school chil-

14 dren, repair and extension of school buildings, reduction

15 of taxes, increasing the length of the school year, and the

16 increasing of teachers' wages and sustaining salary sched-

17 ules. Such funds to be awarded in the same manner and

18 by the same formula as now governs the distribution of

19 the state equalization fund.

Sect. 10. *Penalty for false or fraudulent returns.* Any

2 distributor of the products enumerated in this act who

3 shall make attempts to deceive by fraudulent report, or

4 who shall evade or violate the integrity of this act or any

5 of its provisions shall be fined not to exceed one thousand

6 dollars. Whenever any distributor shall fail to pay any

7 tax due under the provisions of this act within the time

8 limit herein specified, the attorney general shall enforce pay-

9 ment of such tax by civil action against such distributors

10 for the amount due, in the courts of appropriate jurisdic-

11 tion.