

MAINE STATE LEGISLATURE

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EIGHTY-FIFTH LEGISLATURE

Legislative Document

No. 677

H. P. 995 House of Representatives, Feb. 18, 1931.

On motion by Mr. Jackson of Bath taken from the table and on further motion same gentleman, referred to the Committee on Taxation and 500 copies ordered printed. Sent up for concurrence.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Ashby of Fort Fairfield.

STATE OF MAINE

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

AN ACT to Raise an Excise Tax on Corporations Organized for Making, Generating, Selling, Distributing and Supplying Electricity or Electric Current for Power, Lighting, Heating, Manufacturing or Mechanical Purposes.

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

Excise tax on hydro-electric companies. Chapter twelve of the revised statutes is hereby amended by adding thereto the following sections to be numbered ninety-nine A, ninety-nine B, ninety-nine C, ninety-nine D, ninety-nine E, ninety-nine F, ninety-nine G, and ninety-nine H, respectively, and to read as follows:

Sec. 99A. Hydro-electric companies to make returns to secretary of state. Every public service corporation doing business in this state and under the jurisdiction of the public utilities commission and organized for making, generating, selling, distributing and supplying electricity or electric current for power, lighting, heating, manufacturing, or mechanical purposes, incorporated under the laws of the state or by special act of the legislature, or doing business therein, shall annually, between the first and fifteenth days of April in each year, return to the secretary of state under oath of its treasurer, the

amount of the capital stock of the corporation, both common and preferred; the number and par value of the shares; a complete list of its shareholders, with their places of residence, and the number of shares belonging to each, on said first day of April.

Sec. 99B. Excise tax levied. Every public service corporation as above defined in section ninety-nine A, organized for making, generating, selling, distributing and supplying electricity or electric current for power, lighting, heating, manufacturing or mechanical purposes, incorporated under the laws of the state or by special act of the legislature or doing business in said state, operating any such public service corporation in this state, under lease or otherwise, shall pay to the treasurer of the state for the use of the state an annual excise tax for the privilege of exercising its franchises and the franchise of its dams, power stations, power and transmission lines, switch-boards and other property, and which said annual excise tax shall be in addition to all taxes upon such public service corporations, their property or stock.

Sec. 99C. Statement to be filed with public utilities commission; tax, how computed. Every such public service corporation as defined in section ninety-nine A and under the jurisdiction of the public utilities commission, shall file with said public utilities commission on the first day of January in each year a statement under oath of the total number of kilowatt hours of electricity or electric current sold during the preceding twelve months and the gross operating revenue received therefor and the public utilities commission shall report the same to the state board of assessors on or before the first day of February following:

The said tax shall be computed at four per cent of the gross operating revenue as reported under the provisions of sections ninety-nine A to ninety-nine H, inclusive, and the tax against each public service corporation herein described shall be four per cent of the gross operating revenue received by said public service corporation during the preceding twelve months.

Sec. 99D. State assessors to determine amount of the tax. The board of state assessors on or before the first day of April in each year, shall determine the amount of such tax and re-

port the same to the treasurer of state, who shall forthwith give notice thereof to the public service corporation upon which the said tax is levied.

Sec. 99E. When tax shall be paid; tax to be a lien. Said tax shall be payable to the Treasurer of state for the use of the state, one-half on the first day of July next after the levy is made, and the other one-half on the first day of October following. Said tax shall be a lien on all the property of any such public service corporation herein taxed and takes precedence over all other liens and encumbrances.

Sec. 99F. Abatement of errors. Any public service corporation aggrieved by the action of the board of state assessors through error or mistake in determining the said tax, may apply for abatement of any such excessive tax to the board of state assessors on or before the first day of May in each year, and if, upon hearing and examination, the tax appears to be excessive through such error or mistake, the board of state assessors shall thereupon abate such excess and the amount so abated shall be deducted from any tax due and unpaid from such public service corporation, upon which the excessive tax was assessed, and if there is no such unpaid tax, the governor and council shall draw a warrant for the abatement to be paid from any money in the treasury not otherwise appropriated.

Sec. 99G. Procedure when returns are insufficient. If the returns required by law in relation to such public service corporation are found insufficient to furnish the basis upon which the tax should be levied, the public utilities commission shall require such additional facts in the returns as may be found necessary, and until such returns are so required, or in default of such returns when required, the board of state assessors shall act upon the best information they may obtain. The public utilities commission shall have access to the books of any such public service corporation to ascertain if such returns are correctly made and any such public service corporation operating any such public service corporation as defined in section ninety-nine A in the state, which refuses or neglects to make returns required by law or to exhibit to the public utilities commission its books for the purposes aforesaid, or makes returns which the president, clerk, treasurer or other person certifying such returns knows to be false, forfeits not less than

one thousand dollars nor more than ten thousand dollars, to be recovered by indictment or by an action of debt in any county in which such public service corporation conducts any of its service.

Sec. 99H. Exceptions. The provisions of sections ninety-nine A to ninety-nine H shall not apply to municipal corporations selling electricity or electric current for power, lighting, heating, manufacturing or mechanical purposes and to corporations whose gross operating revenue from the sale of electricity or electric current as set forth in section ninety-nine C, does not exceed \$50,000.