

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

E I G H T Y - S I X T H L E G I S L A T U R E

Legislative Document

No. 812

I. B. No. 2

In Senate, March 2, 1933.

Petitions ordered placed on file, the Act I. B. No. 2 referred to Committee on Taxation and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

S T A T E O F M A I N E

IN THE YEAR OF OUR LORD NINETEEN HUNDRED THIRTY-THREE

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

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

Sec. 1. Intangible personal property of the classes hereinafter enumerated, belonging to any individual partnership or corporation of this state, shall hereafter be subject to an annual tax of two and one-half mills on each dollar of the just value thereof, viz.: money on hand, on deposit, or at interest, and other debts due the person to be taxed, more than they are owing; public stocks and securities; all stocks, bonds and notes or other evidence of indebtedness of all corporations within or without the state; all annuities payable to the person to be taxed, when the capital of such annuity is not taxed in this state; and such property, above described, is hereby exempted from all taxation other than that imposed by this act; but nothing in this section shall be so construed as to apply to any property not now taxable by law; and intangible personal property upon which no interest or dividends has accrued or been actually paid during the preceding calendar year, shall not be valued at all for purposes of taxation under this act; and such intangible property of the value of Four Thousand Dollars or less shall be exempt from taxation.

Sec. 2. Nothing in section 1 shall be so construed as to affect the method now in use for the taxation of loan and building associations, savings banks, trust companies, or deposits therein.

Sec. 3. Nothing in section 1 shall be so construed as to affect the method now in use for the taxation of shares of stock of trust companies organized under the laws of this state, and banking institutions formed under the laws of the United States.

Sec. 4. The tax upon the classes of property enumerated in section 1 shall be assessed by the state tax assessor as hereinafter provided to the owner on the first day of April. On or before the said first day of April in each year the owner shall make to the state tax assessor a general return of his intangible property, defined in section 1 of this act, and shall place a valuation of each class, but no return shall be required of intangible property not in excess of \$4000 or upon which no interest or dividends have accrued or been payable during the preceding calendar year. Said return, containing the general classification of intangible property as specified in section 1 of this act, shall be made on a blank made up by the state tax assessor, and no oath shall be required upon said return, but if any statement in said return is wilfully false, it shall be deemed to be perjury and shall be punished accordingly. The state tax assessor shall furnish said blanks to the local assessors of the cities, towns and plantations, for distribution to such owners of intangible property as may apply therefor. Such return shall be open to the state tax assessor, and his assistants and clerks, when acting under his authority, but the information in the return shall be disclosed to no other person except by order of court, and any assessor or other person who shall unlawfully disclose information contained in the return shall be prosecuted by the attorney general and liable to a fine of not less than one hundred dollars or more than five hundred dollars. Every guardian, trustee, executor, administrator, agent or receiver, and every other person or corporation acting in a fiduciary capacity, holding personal intangible property liable to taxation as aforesaid, for such person, ward, beneficiary, deceased or incompetent person whom he represents or succeeds on the first day of January in each year, shall make the return required in this act. The total amount of tax imposed by this act shall be paid, at the time of filing such return, to the state treasurer.

Sec. 5. The state tax assessor or his agents shall ascertain as nearly as possible the particulars of the personal estate taxable under this act of any person or corporation not making such return required in section 4, or for whom such return has not been made before the date specified in section 4 of this act, and shall estimate the just value of such estate according to his best information and belief. He shall add thereto, as a penalty, twenty per cent of the estimated value of such property, and such estimate, with the penalty of twenty per cent, shall be entered in the valu-

ation books, and shall be conclusive upon any person or corporation not seasonably bringing in a list of property taxable under this act, as enumerated in section 1, unless such person or corporation can show a satisfactory excuse, for the omission, in which case the twenty per cent. added as penalty, may be deducted.

Sec. 6. The state tax assessor, on written application stating the grounds therefor, within one year from the assessment, may make such reasonable abatement as he thinks proper. He shall keep in suitable book form, a record of such abatements, with the reason for each. He shall give his decision upon any application for abatement within sixty days from date of application therefor.

Sec. 7. Any person aggrieved by a decision of the state tax assessor under the preceding section may appeal to the superior court of the county in which he resides. Such appeal shall be entered at the term first occurring, not less than thirty days after the assessor shall have given the appellant notice in writing of his decision upon the application for such abatement; and notice thereon shall be ordered by said court in term time or by any justice thereof in vacation and said appeal shall be tried, and determined in the manner and with the rights provided by law in other civil cases.

Sec. 8. If upon such appeal it appears that the appellant has complied with all provisions of law, he may be granted such abatement as may be found reasonable. If no abatement is granted, judgment shall be rendered in favor of the state and for its taxable costs. If an abatement is granted judgment shall be rendered in favor of the state for such amount, if any, as may be due after deducting the abatement, and the court may make such order relating to the payment of costs as justice shall require. In either case execution shall issue. The final judgment of the court shall be forthwith certified by the clerk to the state tax assessor and he shall, in all cases, carry into full effect the judgment. If it be alleged in the application that the appellant has paid the taxes for which he has been assessed, and if the court shall so find, judgment for the amount of the abatement granted shall be rendered against the state, and execution therefor, and for such costs as may be awarded, shall issue.

Sec. 9. Such appeal shall be tried at the term to which the notice is returnable, unless continuance shall be granted for good cause; and said court shall, if requested by the state tax assessor, advance the case upon the docket so that it may be tried and decided with as little delay as possible.

Sec. 10. The court may with the consent of the parties appoint a commissioner to hear the cause, and to report to the court the facts, or the facts with the evidence. Such report shall be prima facie evidence of the facts

thereby found. The fees of the commissioner shall be paid in the same manner as those of auditors appointed by the court.

Sec. 11. The state tax assessor shall assess the tax at the uniform rate of two and one-half mills, as hereinbefore provided, upon the property disclosed in the return as originally made out, or as amended, and notify the owner of any balance of tax due, on or before the first day of August in each year. If the balance is not paid on or before the first of September in each year, the state treasurer shall proceed to collect it. An action of debt to recover the amount of taxes assessed under this act shall be in the name of the state treasurer.

Sec. 12. The state tax assessor shall not include the valuation of intangible property, assessed under this act, in making the state valuation on which is based the apportionment of state tax. Of the taxes paid under the provision of this act there shall be deducted for the benefit of the treasury of the state the fair cost to the state of the assessment, collection, and distribution thereof as determined by the state tax assessor, subject to the approval of the Governor and Council. The balance of the fund remaining in the state treasury each year on November first, after setting aside such reasonable reserve as may be determined upon by the state tax assessor, with the approval of the Governor and Council, for the current annual expenses of administration, shall be allocated to the cities, towns and plantations of the state and distributed on December first of each year on the following basis; one-half of said fund shall be allocated to the several cities, towns and plantations in proportion to the contributions made by the inhabitants of such cities, towns and plantations to the funds realized under this act in the current year and one-half of said fund to the several cities, towns and plantations on the basis of the proportion which the total mileage of public roads and ways located within such city, town or plantation shall bear to the total mileage of all public roads and ways located in all the cities, towns and plantations in the state as certified to the state tax assessor by the State Highway Commission on November first in each year.

Sec. 13. In order to carry out the provisions of this act the state tax assessor is authorized to employ such necessary assistants and clerks as are allowed by the Governor and Council.

Sec. 14. All acts and parts of acts inconsistent with this act are hereby repealed.

Sec. 15. This act shall take effect January first, nineteen hundred and thirty-four.

Should this bill fail of enactment by the legislature, the petitioners desire that a special election shall be called as provided by the constitution.