

MAINE STATE LEGISLATURE

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EIGHTY - SEVENTH LEGISLATURE

Legislative Document

No. 251

H. P. 863

House of Representatives, January 31, 1935.

Referred to Committee on Taxation and 500 copies ordered printed.
Sent up for concurrence.

HARVEY R. PEASE, Clerk.

Presented by Mr. Harriman of Prospect.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-FIVE

AN ACT Relating to Taxation of National Bank Deposits.

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

Taxation of national bank deposits. Chapter 12 of the revised statutes is hereby amended by inserting after section 75 of said chapter new sections to be numbered 75-A, 75-B, 75-C, 75-D, 75-E, 75-F, 75-G, 75-H, 75-I, 75-J, 75-K, 75-L, 75-M, 75-N, 75-O, 75-P, 75-Q, 75-R, 75-S, and to read as follows:

'Sec. 75-A. Depositor's report; time. Every person having, on the 1st day of April and October, a deposit bearing interest at a rate of 3% or more in a national bank in this state shall, except as otherwise provided in this chapter, within 20 days thereafter, report the amount thereof and the name of such bank to the bureau of taxation, on blanks prepared and furnished by it to such depositor on application therefor.

Sec. 75-B. Report to assessors; time. Every resident of this state so having a deposit bearing interest at a rate of 3% or more in a national bank in this state shall annually, except as otherwise provided in this chapter, report to the assessors of the town wherein he resides, the names of all banks located in this state wherein he then has or has had any such deposits during the year next preceding the 1st day of April in the year wherein such report is made, and the amount of such deposits.

Sec. 75-C. Questions in inventories. There shall be incorporated into the tax inventory interrogatories so framed as to require the person subscribing to the same to state in writing and under oath whether or not he then has or has had during the year next preceding the 1st day of such April, any such deposits; and, if such interrogatories are answered in the affirmative, he shall also state the name of such bank and the amount of such deposit with all accrued interest.

Sec. 75-D. Reports by assessors. The assessors in every town shall, on or before the 10th day of May, upon blanks to be furnished by the bureau of taxation, report the names of all persons whose inventories show that they had in a national bank in this state on the 1st day of the preceding April, deposits of the character and kind described in section 75-A, together with the amount of each individual deposit so held on such 1st day of April and the name of the bank holding such deposit.

Sec. 75-E. Reports filed; inspection. Such reports shall be kept on file by said bureau for 3 years from and after the dates on which the taxes based thereon became due and payable to the state. Such reports shall not be subject to the inspection of any person other than the members of said bureau and the employees in its office, the attorney general, and the county attorney of the county wherein such bank has its principal place of business or said depositor, if a resident of this state, has his domicile. Any information contained in such reports shall not be disclosed by any person authorized to examine the same, except by the direction of a court of competent jurisdiction.

Sec. 75-F. Assessment of tax; payment; rate. Every person so having a deposit in a national bank as aforesaid shall semi-annually, except as otherwise provided by the provisions of sections 75-A to 75-S, pay a tax to the state, which is hereby assessed at the rate of $\frac{1}{4}$ of 1% semi-annually upon the amount of such deposit so held by such national bank on the 1st day of April and October; and deduction therefrom shall not be made on account of any exemption. The taxes imposed by this section shall be paid to the treasurer of state semi-annually on or before the last day of May and November next following the dates whereon the reports provided for in section 75-B are required to be made.

Sec. 75-G. Exempt from other taxes. A tax other than that provided in the preceding section shall not be assessed on such deposits in national banks, nor against the depositors on account thereof.

Sec. 75-H. Penalty. A depositor who wilfully fails to make returns to pay the taxes provided by the provisions of sections 75-A to 75-S shall forfeit 10% of such deposit to the use of the state for each month's delay in filing such returns. Such tax and forfeiture may be recovered in an action of tort, on this statute, commenced by the treasurer of state in the name of the state, in any municipal court or the superior court.

Sec. 75-I. Trustee process. A person having any of the moneys, goods, chattels, effects, rights or credits of said depositor in his possession may be summoned as trustee in any action instituted under the preceding section, notwithstanding that the amount of such tax or the amount in his hands may be less than \$20.

Sec. 75-J. Waiver of penalty. If the treasurer of state or the court wherein such action is pending for the recovery of such tax or forfeiture becomes satisfied that such failure was not wilful on the part of the depositor, said bureau of taxation or said court may, in its discretion, waive any part or all of such penalty.

Sec. 75-K. Bank may elect to pay. If a national bank in this state so elects, it may pay to the state all taxes provided by the provisions of sections 75-A to 75-S, and it shall be lawful for such bank to deduct such taxes so paid from the interest or deposits then or thereafter held by it belonging to the person from whom such tax became due.

Sec. 75-L. Stipulation; revocation. If a national bank makes the election provided in the preceding section, it shall file with the bureau of taxation a stipulation setting forth such fact. If such stipulation is filed on or before the 1st day of April in any year, it shall take effect on such last named date and shall remain in full force and effect until it shall thereafter be revoked as hereinafter provided. If such stipulation is filed later than the 1st day of April but on or before the 1st day of October in any year, it shall take effect on such last named date, and shall remain in full force and effect as aforesaid. A depositor in such bank shall not be required to pay the tax or make the returns hereinbefore specified, covering any semi-annual period for which such stipulation shall remain in force. A national bank filing such stipulation may thereafter revoke it by returning to the bureau of taxation for cancellation the duplicate certificates issued by him to such bank, such revocation to take effect on the last day of the semi-annual period within which such certificates are returned for cancellation as aforesaid. When such certificates are so can-

celled, such bank shall not thereafter be liable to make the payments provided in such stipulation except for the semi-annual period in which such cancellation is made.

Sec. 75-M. Certificate to bank. Upon such stipulation being filed, said bureau shall issue in duplicate to the bank filing the same a certificate showing that it has so filed it.

Sec. 75-N. Bank's liability. Every bank filing such stipulation shall thereupon become liable to the state to make returns and pay $\frac{1}{4}$ of 1% of the average amount of such deposits held by such bank, during each 6 months' period beginning with the 1st day of April and October, respectively, in which such stipulation remains in force.

Sec. 75-O. Bank's return; payment. If such bank files a stipulation as hereinbefore provided, it shall, on or before the last day of October and April, respectively, file with the treasurer of state and bureau of taxation a return verified by the oath of its president, cashier or one of its directors, showing the average amount of such deposits for the 6 months ending on the last day of the preceding month, and shall, for each semi-annual period, pay to the treasurer of state $\frac{1}{4}$ of 1% of such average amount.

Sec. 75-P. Notice published by bureau of taxation, when. Whenever, in the opinion of said bureau, it is for the best interests of the state, it may publish a notice in such newspaper or newspapers as it shall designate, setting forth that the bank or banks therein named have filed or failed to file a stipulation, or have elected to revoke one already filed; and may, in like manner, notify all depositors having interest bearing deposits therein whereon the rate of interest exceeds 3% per year to file proper returns and pay the tax assessed against such depositors in case such bank or banks shall fail to file a stipulation or elect to revoke one already filed; or that such depositors are absolved from making such returns and paying such tax in case the bank shall file a stipulation or elect to continue one theretofore filed.

Sec. 75-Q. Excess payment. Whenever the treasurer of state receives from a person or bank an amount in excess of that certified by the said bureau as the amount due to the state under the provisions of sections 75-A to 75-S, he shall certify the fact to the governor and council who shall issue their warrant for the return of such excess.

Sec. 75-R. Exceptions. The provisions of sections 75-A to 75-R shall

not apply to municipalities; nor to corporations organized solely for charitable, educational or religious purposes; nor to railroad, insurance guaranty, express, telegraph, telephone, public utility, steamboat, car, transportation, sleeping car, parlor car, mortgage, loan or investment companies; nor to savings banks, trust companies and savings banks and trust companies, which have interest bearing deposits in national banks; nor to national banks having an interest bearing deposit in another national bank; nor to any person having any sum of money on deposit in a national bank whereon interest not exceeding the rate of 3% per year is paid or allowed him by such national bank.

Sec. 75-S. Exemptions restricted. Nothing in sections 75-A to 75-R shall be construed as exempting from taxation any deposit in any national bank, except as hereinbefore provided.'