

MAINE STATE LEGISLATURE

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Senate Amendment G to Consolidated Bill "A" H. P. 1884, L. D. 1058, entitled: "An Act to Provide for Old Age Assistance, to Guarantee a Minimum Educational Program and to Provide Revenues Therefor by Means of Miscellaneous Taxes."

Amend said act by adding to it the following:

TITLE VIII

Tax on Corporations Generating and Selling Electric Current

Sec. 1. Public service corporations to make report. 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 1st and 15th 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; and the number and par value of the shares.

Sec. 2. Excise tax. Every public service corporation as above defined in section 1, 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 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, switchboards 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. 3. Statement to be filed. Every such public service corporation as defined in section 1 of this act and under the jurisdiction of the public utilities commission, shall file with said public utilities commission on the 1st day of September in each year a statement under oath of the total number of kilowatt hours of electricity or electric current sold during the preceding 12 months and the gross income received therefor and the public utilities commission shall report the same to the state tax assessor on or before the 15th day of September following.

The said tax shall be computed at 4% of the gross income as reported

under the provisions of this act and the tax against each public service corporation herein described shall be 4% of the gross income received by said public service corporation during the preceding 12 months. Provided, however, that in computing the amount of said tax there shall be excluded from the gross income upon which a tax is to be paid all sums received for electric current or electricity sold for re-sale, or sold to the state of Maine, or to any political sub-division thereof, or sold to be used in the state of Maine for industrial or manufacturing purposes.

And provided, further, that every public service corporation liable for a tax under this act upon gross income received for electric current sold shall add to each bill for electric current with respect to which a tax is payable hereunder, measured by the income received therefor, a separate item marked thereon as "excise tax," which item shall equal as near as may be 4% of the amount charged for such electric current according to the established rates therefor; said additional charge to be and constitute a debt from the consumer and collectible with and in the same manner as the amount charged for such electric current.

Sec. 4. Tax assessor to determine amount of tax; report. The state tax assessor on or before the 25th day of September in each year shall determine the amount of such tax and report the same to the treasurer of state and shall forthwith give notice thereof to the public service corporation upon which the said tax is levied.

Sec. 5. Tax shall be a lien. Said tax shall be payable quarterly to the treasurer of state for the use of the state in carrying out the provisions of this act, the first payment to be made on the first day of October, 1937. Said tax shall be a lien on all property of any such public service corporation herein taxed and takes precedence over all other liens and encumbrances.

Sec. 6. Abatement. Any public service corporation aggrieved by the action of the state tax assessor through error or mistake in determining the said tax, may apply for abatement of any such excessive tax to the state tax assessor on or before the 1st day of May in each year, and if, upon hearing and examination, the tax appears to be excessive through such error or mistake, the state tax assessor 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. 7. Additional facts to be furnished, when necessary; books may be inspected; penalty. 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 state tax assessor shall act upon the best information he 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 conducting any of the services defined in section 1 of this act, 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 \$1000 nor more than \$10,000, to be recovered by indictment or by an action of debt in which such public service corporation conducts any of its service.

Sec. 8. Repeal. All acts and parts of acts in conflict with any of the provisions of this Title (Title VIII) of this act are hereby repealed.