

MAINE STATE LEGISLATURE

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

Legislative Document

No. 544

H. P. 1343

House of Representatives, Feb. 8, 1939.

Referred to Committee on Taxation. Sent up for concurrence and 1,000 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Dow of Norway.

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

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-NINE

**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. Tax on intangible personal property; rate; exemptions. 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 $2\frac{1}{2}$ 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 taxed under this act shall be valued at market price as of April 1 of each year.

Sec. 2. Returns to be made to the state tax assessor. 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 1st day of April.

On or before the said 1st 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 \$100, or more than \$500. 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 1st 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 treasurer of state.

Sec. 3. Abatement. The state tax assessor, on written application stating the grounds therefor, within 1 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 60 days from date of application therefor.

Sec. 4. Distribution. 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 1st, 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 1st of each year on the following basis; $\frac{1}{2}$ 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 $\frac{1}{2}$ 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 1st in each year.

Sec. 5. Effective date. This act shall take effect January 1st, 1940.