

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. 628

H. P. 1462

House of Representatives, February 9, 1939.

Referred to Committee on Taxation. Sent up for concurrence and 1000 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Varney of Berwick.

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

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-NINE

AN ACT Relating to Taxes for Old Age Assistance.

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

Sec. 1. Tax levied. In addition to other taxes there shall be levied, collected, and paid a tax equal to the wages received by every individual with respect to employment of 1% thereof.

Sec. 2. Collection. The tax imposed by the preceding section shall be collected by the employer of the taxpayer. Every employer required so to deduct the tax is hereby made liable for the payment of such tax and is hereby indemnified against the claims and demands of any person for the amount of any such payment made by such employer. The taxes imposed by this act become due on the 1st day of the following year, shall be collected by the bureau of taxation and shall be paid into the treasury of the state within 2 months next following the calendar year in which they are imposed.

Sec. 3. Adjustment. If more or less than the correct amount of tax imposed by section 3 hereof is paid with respect to any wage payments, then, proper adjustments with respect both to the tax and the amount to be deducted, shall be made without interest in connection with subsequent wage payments to the same individual by the same individual by the same employer.

Sec. 4. Wages. The term “wages” as used in this act means all remuneration for employment, including the cash value of all remuneration paid in any medium other than cash.

Sec. 5. Employment. The term “employment” means any service, of whatever nature performed within the state of Maine by an employee for his employer, except—

(1) Labor in any respect pertaining to the carrying on of agricultural pursuits.

(2) Domestic service in a private home.

(3) Casual labor not in the course of the employer’s trade or business.

(4) Service performed by an individual who has attained the age of 65.

(5) Service performed as an officer or member of the crew of a vessel documented under the laws of the United States or of a foreign country.

(6) Service performed by an individual in the employ of his son, daughter or spouse, and service performed by a child under the age of 21 years in the employ of his father or mother.

(7) Service performed in the employ of the United States government or of an instrumentality of the United States.

(8) Labor performed for an employer exempted within the provisions of section 6.

Sec. 6. Employer. The term “employer” as used in this act does not include any person unless on each of some 20 days during the taxable year, each day being in a different calendar week, the total number of individuals who were in his employ for some portion of the day (whether or not at the same moment of time) was 8 or more; but this shall be construed to include service performed in the employ of the state, a political subdivision thereof or of any instrumentality thereof.

Sec. 7. Employees of the United States government. All officers and employees in the service of the United States government and of any instrumentality thereof who reside in the state for a period of 3 months in the calendar year shall pay a tax equal to the wages received with respect to employment of 1% thereof and such officers and employees who reside in the state for a period less than 3 months in the calendar year shall pay a tax with respect to employment of 1% of the wages during such time as they physically are within the state. All such officers and employees who fail to make the return provided in section 9 hereof shall be subject to a fine of \$1000 or imprisonment for a term not exceeding 2 years.

Sec. 8. Rules. The bureau of taxation shall make such rules and regulations as may be necessary to carry out the provisions of this act.

Sec. 9. Return. Each person subject to the provisions hereof, as set forth in sections 2 and 7, annually shall make due returns to the bureau of taxation not later than the 1st day of March next following, which shall contain such information and be made in such manner as the said bureau may by regulations prescribe.

Sec. 10. Revenues allocated. The revenues derived from the taxes hereby imposed shall be paid into a fund separate and apart from the general fund to be denominated "Old Age Assistance Fund". Such fund shall be used for old age assistance in accordance with the provisions of Title II of section 1 of chapter 245 of the public laws of 1937.

Sec. 11. Unconstitutionality. If any section, subsection, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

Sec. 12. Effective date. The provisions of this act shall apply to wages earned during the year 1939 and to years subsequent thereto.