

MAINE STATE LEGISLATURE

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

Legislative Document

No. 64

H. P. 107

House of Representatives, January 21, 1943.

Referred to Committee on Mercantile Affairs and Insurance, sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Payson of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-THREE

AN ACT Providing for Taxation of Annuity Premium Considerations.

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

Sec. 1. R. S., c. 60, § 148, amended. Section 148 of chapter 60 of the revised statutes is hereby amended to read as follows:

‘Sec. 148. Annuity companies made subject to law relating to life insurance. All corporations, whether incorporated in this state or elsewhere, which issue contracts whereby such corporations, in consideration of a premium to be paid annually or otherwise, agree to pay an annuity commencing in the future, or a sum fixed or to be ascertained by given methods, are hereby made subject, in relation to doing business in this state, to all the provisions of law relating to life insurance, ~~except so far as relates to taxation~~ **including all provisions relating to taxation.**’

Sec. 2. R. S., c. 12, § 50, amended. Section 50 of chapter 12 of the revised statutes, as amended by section 1 of chapter 1 of the public laws of 1939, is hereby further amended to read as follows:

‘Sec. 50. Domestic insurance companies to be taxed on real estate, premiums and annuity considerations. Every life insurance company or association organized under the laws of this state, in lieu of all other taxation, shall be taxed as follows: first, its real estate shall be taxed by the munic-

ipality in which such real estate is situated, in the same manner as other real estate is taxed therein. Second, it shall pay a tax of 1% upon all gross direct premiums **including life annuity considerations**, whether in cash or notes absolutely payable, received from residents of this state during the year preceding the assessment, as hereinafter provided, first deducting therefrom all return premiums and all dividends paid to policyholders in this state on account of said premiums **or considerations**. Every other insurance company or association organized under the laws of this state, except those mentioned in section 55, including surety companies and companies engaged in the business of credit insurance or title insurance shall as hereinafter provided annually pay a tax of 1% upon all gross direct premiums written, whether in cash or in notes, absolutely payable on contracts made in the state for fire, casualty and other risks, less return premiums thereon and less all dividends paid to policyholders and less all premiums and assessments on policies of insurance issued on farm property.'

Sec. 3. R. S., c. 12, § 51, amended. Section 51 of chapter 12 of the revised statutes, as amended by section 2 of chapter 1 of the public laws of 1939, is hereby further amended to read as follows:

'Sec. 51. To return to insurance commissioner statement of premiums and annuity considerations liable to taxation. Every such domestic life insurance company shall include in its annual return to the insurance commissioner a statement of the amount of premiums **and annuity considerations** liable to taxation as provided in the preceding section, and of the real estate held by it on the 31st day of the previous December, showing in detail the amount of all premiums **including life annuity considerations** whether in cash or notes absolutely payable, received by said company from residents of this state during the year preceding the assessment, and all dividends paid policyholders in this state on account of said premiums **or annuity considerations** as required by blanks furnished by the commissioner. The taxes provided by the preceding section shall be assessed and paid as provided in section 59 and said section and section 56 shall be applicable thereto.'

Sec. 4. R. S., c. 12, § 52, amended. Section 52 of chapter 12 of the revised statutes, as amended by chapter 33 of the public laws of 1933 and by section 3 of chapter 1 of the public laws of 1939, is hereby further amended to read as follows:

'Sec. 52. All insurance companies to pay tax on premiums and annuity considerations. Every insurance company or association which does busi-

ness or collects premiums or assessments **including life annuity considerations** in the state, except those mentioned in sections 50 and 55, including surety companies and companies engaged in the business of credit insurance or title insurance, shall, for the privilege of doing business in this state, and in addition to any other taxes imposed for such privilege, as hereinafter provided, annually pay a tax upon all gross direct premiums **including life annuity considerations** whether in cash or otherwise, on contracts written on risks located or resident in the state for insurance of life, **life annuity**, fire casualty and other risks at the rate of 2% a year.'