

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

TRANSMITTED BY REVISOR OF STATUTES PURSUANT TO  
JOINT ORDER

---

---

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. 684

H. P. 1207

House of Representatives, February 19, 1943.

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

HARVEY R. PEASE, Clerk.

Presented by Mr. Estabrook of Stacyville.

---

---

STATE OF MAINE

---

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FORTY-THREE

---

AN ACT Relating to Taxation of Rural Electrical Cooperatives.

---

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

**Sec. 1. R. S., c. 12, § 40, amended.** Section 40 of chapter 12 of the revised statutes, as amended, is hereby further amended to read as follows:

**'Sec. 40. State taxation of telephone and telegraph companies; rural electrical cooperatives; apportionment to cities and towns.** Every corporation, association, or person operating in whole or in part a telephone or telegraph line within the state for tolls or other compensation **or every rural electrical cooperative operating within the state** shall pay to the treasurer of state for the use of the state an annual excise tax for the privilege of conducting such business within the state which tax, with the tax provided for in section 45, is in place of all taxes upon the property of such corporation, association, or person employed in such business, and of all taxes upon the shares of the capital stock of any such corporation.

There shall be apportioned and paid by the state from the taxes collected under this section to the several cities and towns in which on the 1st day of April in each year is held stock of any such corporation, or in which

resides the owner or owners of an interest in any telegraph or telephone **or any rural electrical cooperative** lines operated by any association or person not a corporation and taxed under this section, an amount equal to 1% on the value of such stock on that day as determined by the state tax assessor, if a corporation; and if not a corporation, such proportion of the amount of such excise tax paid into the state treasury by the association, person, or persons operating such line as such interest owned by a resident in any such municipality bears to the whole ownership; provided, however, that the total thus apportioned on account of such stock, if a corporation, shall not exceed the sum received by the state as a tax on account of such corporation; and provided further, that there shall not be apportioned on account of any such corporation a greater part of the whole tax received by the state from such corporation than the proportion which the amount of capital stock of such corporation owned in this state bears to the whole amount of the capital stock of such corporation, and that, in the case of any corporation of which not exceeding 2% of the capital stock is owned in the state, no apportionment and payment shall be made unless the amount to be apportioned and paid shall exceed the sum of \$250.'

**Sec. 2. R. S., c. 12, § 41, amended.** Section 41 of chapter 12 of the revised statutes is hereby amended to read as follows:

**'Sec. 41. Computation of tax.** The amount of such annual excise tax shall be ascertained as follows: when the gross receipts of such corporation, association, or person collected within this state on account of its telephone or telegraph **or rural electrical cooperative** business during the year for which the tax is assessed on such corporation, association or person exceed \$1,000 and do not exceed \$5,000, the tax shall be 1¼% of such gross receipts; when such gross receipts exceed \$5,000 and do not exceed \$10,000, the tax shall be 1½% of such gross receipts; when such gross receipts exceed \$10,000 and do not exceed \$20,000, the tax shall be 1¾% of such gross receipts; when such gross receipts exceed \$20,000 and do not exceed \$40,000, the tax shall be 2% of such gross receipts; and so on, increasing the rate of tax ¼ of 1% for each additional \$20,000 or fractional part thereof, of such gross receipts, provided that the rate shall in no event exceed 6% of such gross receipts.'

**Sec. 3. R. S., c. 12, § 43, amended.** Section 43 of chapter 12 of the revised statutes is hereby amended to read as follows:

**'Sec. 43. Payment of tax; lien.** Said tax shall be paid to the treasurer on or before the 15th day of June annually. Said tax shall be a lien on

the property of such corporation, and on its franchise, and upon the property used in operating a telephone or telegraph **or rural electrical cooperative** business by any such association or person, and takes precedence over all other liens.'

**Sec. 4. R. S., c. 12, § 44, amended.** Section 44 of chapter 12 of the revised statutes is hereby amended to read as follows:

**'Sec. 44. Books of corporations to be open to state tax assessor; penalty for refusing to make returns.** The state tax assessor, or his duly authorized agent, shall have access to the books of any such corporation, association, or person, to ascertain if the required returns are correctly made; and any corporation, association, or person operating any telegraph or telephone **or rural electrical cooperative** line in this state and refusing or neglecting to make the returns required by law or to exhibit to the state tax assessor, or to his duly authorized agent therefor, its or his books for the purpose aforesaid, or making returns which the president, clerk, treasurer, or other person certifying such returns knows to be false, shall forfeit not less than \$1,000, nor more than \$10,000, to be recovered by indictment or by action of debt in any county into which the said telegraph or telephone **or rural electrical cooperative** lines extend.'