

MAINE STATE LEGISLATURE

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N I N E T Y - S E C O N D L E G I S L A T U R E

Legislative Document

No. 691

H. P. 1086

House of Representatives, February 13, 1945.

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

HARVEY R. PEASE, Clerk.

Presented by Mr. Jordan of Saco.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-FIVE

AN ACT Relating to the Payment of Taxes by Domestic Insurance
Companies.

Emergency preamble. Whereas, the decision of the supreme court of the United States of June 5, 1944 in the United States v. Southeastern Underwriters Association, et al, 88 U. S. Law Ed. 1082, creates a reasonable doubt as to the obligation of domestic insurance companies to pay taxes on premiums and other taxes, fees or deposit requirements imposed by the laws of this and other states; and

Whereas, certain domestic companies, in order to properly protect their policyholders, officers and directors, may refuse to pay such taxes to this state unless protected against liability on account of such payment until the validity of said laws shall have been finally determined, and

Whereas, such non-payment may involve the state in protracted litigation and expense, and may impair the necessary revenues of the state, and

Whereas, certain of said taxes are payable on or before May 1, 1945, and

Whereas, in the judgment of the legislature these facts create an emergency within the meaning of section 16 of Article XXXI of the Constitution of Maine and require the following legislation as immediately neces-

sary for the preservation of the public peace, health and safety; now therefore,

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

R. S., c. 14, § 14-A, additional. Chapter 14 of the revised statutes is hereby amended by adding thereto a new section to be numbered 14-A, to read as follows:

'Sec. 14-A. Power and authority of domestic insurance companies. Every domestic insurance company and its officers, directors and agents and employees shall have power and authority to comply with any statute, ordinance or other law of any state, territory or political subdivision thereof, including the District of Columbia, imposing any license, excise, privilege, occupation, premium or other tax or fee or deposit requirement and to pay such tax or fee and make such deposit unless prior to such payment such statute, ordinance or other law shall have been expressly held invalid by the supreme court of the United States. No such company, officer, director, employee or agent shall be subject to liability by reason of any such compliance or payment either heretofore or hereafter made.'

Emergency clause. In view of the emergency cited in the preamble, this act shall take effect when approved.