

MAINE STATE LEGISLATURE

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

Legislative Document

No. 1512

H. P. 1229

House of Representatives, April 29, 1955

Reported by Majority from the Committees on Appropriations and Financial Affairs and Taxation jointly by authority of Joint Order (H. P. No. 1195) and printed under Joint Rules No. 10.

HARVEY R. PEASE, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

AN ACT Making Supplemental Appropriations for the Expenditures of State Government and for Other Purposes for the Fiscal Years Ending June 30, 1956 and June 30, 1957, and to provide Additional Revenue to General Fund.

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

Sec. 1. Appropriations for necessary expenditures of government. In order to provide for the necessary expenditures of government and for other purposes for the next two fiscal years—from July 1, 1955 to June 30, 1956, and from July 1, 1956 to June 30, 1957—the following sums or as much thereof as shall severally be found necessary, as designated in the following tabulations, are hereby appropriated out of any monies in the general fund not otherwise appropriated. Upon receipt of allotments duly approved by the Governor and Council based upon work programs submitted to the Commissioner of Finance and Administration, the State Controller shall authorize expenditures of these appropriations and revenues accruing thereto, together with expenditures for other purposes necessary to the conduct of state government on the basis of such allotments and not otherwise.

It is the intent of the legislature that allotments for personal services, capital expenditures and amounts for all other departmental expenses shall not exceed the amounts shown in the budget document or as they may be revised by the Committee on Appropriations and Financial Affairs unless approved by the Commissioner of Finance and Administration and the Governor and Council.

An be it further provided that the Controller be authorized to close his books as soon as practicable after the close of the fiscal years ending June 30, 1956 and June 30, 1957. Any bills presented after those dates may be paid from appropriations for the ensuing year on recommendation of the Controller if within the amounts of approved allotments.

Whenever it appears to the Commissioner of Finance and Administration that the anticipated income of the state will not be sufficient to meet the expenditures authorized by the legislature, he shall so report to the Governor and Council, and they may curtail allotments so that expenditures will not exceed the anticipated income.

At the end of each fiscal year of the biennium, all unencumbered appropriation balances representing state monies, except those that carry forward as provided by law, shall be lapsed to unappropriated surplus as provided by Section 25 of Chapter 16 of the Revised Statutes of 1954. At the end of each fiscal year of the biennium, all encumbered appropriation balances shall be carried forward to the next fiscal year, but in no event shall encumbered appropriation balances be carried more than once.

There shall be paid from the highway fund the cost of accounting, auditing, purchasing and legal services furnished from the general fund appropriations. This revenue shall credit to the general fund.

GENERAL FUND

APPROPRIATIONS FROM GENERAL FUND

Department	1955-56	1956-57
AGRICULTURE, DEPARTMENT OF		
Division of Inspection		
Personal Services	\$ 2,990	\$ 3,120
All Other	2,205	2,805
Division of Markets		
Personal Services	3,456	3,456
All Other	1,544	1,544
Total Department of Agriculture	10,195	10,925
APPRENTICESHIP COUNCIL		
Personal Services	2,000	2,000
ATLANTIC SEA RUN SALMON COMMISSION		
Personal Services	3,744	3,900
All Other	4,295	3,445
EDUCATION, DEPARTMENT OF		
General Purpose Educational Aid		
All Other	1,411,283	1,411,283
Maine Vocational Technical Institute		
Personal Services	3,510	14,196
Capital Expenditures	10,300	16,550
All Other	4,000	7,000
Gorham State Teachers' College		
Personal Services	26,091	28,915
Farmington State Teachers' College		
Personal Services	10,114	2,445
Aroostook State Teachers' College		
Personal Services	—	6,175

Department	1955-56	1956-57
Washington State Teachers' College		
Personal Services	3,556	3,461
Madawaska Training School		
Personal Services	11,104	10,625
Capital Expenditures	5,705	2,338
All Other	6,276	5,786
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Total Department of Education	1,491,939	1,508,774
FINANCE AND ADMINISTRATION, DEPARTMENT OF		
Accounts and Control, Bureau of		
Personal Services	5,000	5,000
Capital Expenditures	4,805	—
All Other	195	—
FORESTRY, DEPARTMENT OF		
Entomology		
All Other	2,500	2,500
HEALTH AND WELFARE, DEPARTMENT OF		
Old Age Assistance		
All Other	319,000	319,000
Aid to Dependent Children		
All Other	180,000	180,000
Aid to the Disabled		
All Other	36,000	36,000
Aid to the Blind		
All Other	15,000	15,000
<p>It is the intent of the Legislature that the appropriations for the four Assistance categories listed above totaling \$550,000 each year be deducted from any appropriations made by the 97th Legislature for Aid to Public and Private Hospitals. This reduction is provided for in Sec. 2 of this Act and will make available sufficient monies to create a pool out of which payments will be made for hospitalization of State public assistance cases. It will involve no additional appropriation of State funds and will make Federal funds available to the Public and Private Hospitals in Maine in the amount of approximately \$125,000 in each year of the biennium.</p>		
Alcoholic Rehabilitation		
Personal Services	3,952	4,160
All Other	4,050	4,050

Department	1955-56	1956-57
Water Improvement Commission		
Personal Services	15,978	17,174
All Other	11,900	11,900
Total Health and Welfare	585,880	587,284
INSTITUTIONAL SERVICE, DEPARTMENT OF		
Augusta State Hospital		
Personal Services	161,291	165,529
Pownal State School		
Personal Services	177,060	203,476
All Other	36,383	30,973
Prison, Maine State		
Personal Services	24,414	24,674
Total Institutional Service	399,148	424,652
LEGISLATIVE		
Legislative Research Committee		
Personal Services	5,000	5,000
All Other	800	800
LIBRARY, STATE OF MAINE		
Departmental Operations		
All Other	4,352	4,352
Bookmobile Service		
Personal Services	5,434	5,694
Capital Expenditures	3,655	—
All Other	5,471	846
Total Library	18,912	10,892
MAINE DEVELOPMENT COMMISSION		
Personal Services	22,268	22,957
Capital Expenditures	1,013	1,027
All Other	51,719	51,016
MAINE MARITIME ACADEMY		
All Other	40,000	40,000
MAINE PORT AUTHORITY		
All Other	24,000	24,000
SEA AND SHORE FISHERIES		
Departmental Operations		
Personal Services	9,165	9,594
All Other	5,835	5,406

Department	1955-56	1956-57
Shellfish Management Program		
Personal Services	22,636	20,820
Capital Expenditures	5,300	—
All Other	7,064	4,180
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Total Sea and Shore Fisheries	50,000	40,000
UNIVERSITY OF MAINE		
All Other	264,978	372,143
Sec. 2. Deductions. There is hereby appropriated to be deducted from any appropriations made by the 97th Legislature for the departments and in the amounts listed below:		
AID TO PUBLIC & PRIVATE HOSPITALS		
All Other	550,000	550,000
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Total Appropriations	\$2,438,391	\$2,566,315

Amounting to \$2,438,391 for the fiscal year ending June 30, 1956 and \$2,566,315 for the fiscal year ending June 30, 1957.

Sec. 3. R. S., c. 17, § 10-A, additional. Chapter 17 of the revised statutes is hereby amended by adding thereto a new section to be numbered 10-A, to read as follows:

'Sec. 10-A. Tax against isolated motor vehicle transactions except sale for resale. The tax imposed by the provisions of this chapter shall be levied upon all isolated transactions involving the sale of motor vehicles excepting those sold for resale.'

Sec. 4. R. S., c. 16, § 204, amended. Section 204 of chapter 16 of the revised statutes, as amended by section 3 of chapter 429 of the public laws of 1953, is hereby further amended to read as follows:

'Sec. 204. Tax imposed. A tax is imposed on all cigarettes held in this State by any person for sale, said tax to be at the rate of $\$ 2\frac{1}{2}$ mills for each cigarette and the payment thereof to be evidenced by the affixing of stamps to the packages containing the cigarettes as hereinafter provided. Any cigarette on which a tax has been paid, such payment being evidenced by the affixing of such stamp, shall not be subject to a further tax under the provisions of sections 200 to 221, inclusive. Nothing contained in said sections shall be construed to impose a tax on any transaction, the taxation of which by this State is prohibited by the Constitution of the United States.

Each unclassified importer shall, within 24 hours after receipt of any unstamped cigarettes in this State, notify the Tax Assessor of the number of cigarettes received, and the name and address of consignor. The Tax Assessor thereupon shall notify the unclassified importer of the amount of the tax due thereon, which shall be at the rate of $\$ 2\frac{1}{2}$ mills per cigarette. Payment of the amount due the State shall be made within 10 days from mailing date of notice thereof.'

Sec. 5. R. S., c. 16, § 205, amended. Section 205 of chapter 16 of the revised statutes, as amended by section 4 of chapter 429 of the public laws of 1953 and by section 1 of chapter 1 of the public laws of 1955, is hereby further amended to read as follows:

'Sec. 205. Assessor to provide stamps. The Tax Assessor shall secure stamps, of such design and denomination as he shall prescribe, suitable to be affixed to packages of cigarettes as evidence of the payment of the tax imposed by the provisions of sections 200 to 221, inclusive. To licensed distributors he shall sell such cigarette stamps at a discount of ~~4%~~ $3\frac{1}{2}\%$ of their face value. To licensed dealers he shall sell all stamps at face value. The face value of the stamps when affixed shall be considered as part of the cost of the merchandise. The Assessor may, in his discretion, permit a licensed distributor or licensed dealer to pay for such stamps within 30 days after the date of purchase, provided a bond satisfactory to the Assessor in an amount not less than the sale price of such stamps shall have been filed with the Assessor conditioned upon payment for such stamps. He shall keep accurate records of all stamps sold to each distributor and dealer and shall pay over all receipts from the sale of stamps to the Treasurer of State daily.'

Sec. 6. Cigarettes on hand; stamping or accounting; waiver provision. The State Tax Assessor may by regulation waive for a period of not over 7 days following the effective date of this act, payment of additional tax by retail dealers with respect to stocks of cigarettes properly stamped at the rate of 2 mills per cigarette sold during such period, provided such stocks were on hand as of the effective date of this act; and pursuant thereto, the Assessor may also waive for the same period the application to retail dealers of sections 208, 209 and 211 of chapter 16 of the revised statutes as respects such cigarettes.

Nothing herein shall be construed to authorize any distributor or subjobber to distribute to any retail outlet cigarettes not properly stamped at the rate of $2\frac{1}{2}$ mills per cigarette.

Cigarettes in the hands of retail dealers subsequent to the period of waiver provided for above, not properly stamped at the rate of $2\frac{1}{2}$ mills per cigarette, shall be subject to confiscation under the provisions of section 211 of chapter 16 of the revised statutes; and such retailer shall be subject to any other penalties by law provided.

Sec. 7. R. S., c. 16, § 106, amended. Section 106 of chapter 16 of the revised statutes is hereby amended to read as follows:

'Sec. 106. Taxation and rate. Every corporation incorporated under the laws of this State, having a fixed capital, except such as are excepted by section 41 of chapter 53, shall pay an annual franchise tax of ~~\$5~~ \$10, provided the authorized capital of said corporation does not exceed \$50,000; of ~~\$10~~ \$20, provided said authorized capital exceeds \$50,000 and does not exceed \$200,000; of ~~\$25~~ \$50, provided said authorized capital exceeds \$200,000 and does not exceed \$500,000; of ~~\$50~~ \$100, provided said authorized capital exceeds \$500,000 and does not exceed \$1,000,000; and the further sum of ~~\$25~~ \$50 for each \$1,000,000, or any part thereof, in excess of \$1,000,000; also on all shares without par value: of ~~\$5~~ \$10, provided the authorized number thereof does not exceed 250 shares; of ~~\$10~~ \$20.

provided said authorized number thereof exceeds 250 shares and does not exceed 1,000 shares; of ~~\$20~~ \$40, provided said authorized number thereof exceeds 1,000 shares and does not exceed 3,000 shares; of ~~\$25~~ \$50, provided said authorized number thereof exceeds 3,000 shares and does not exceed 5,000 shares; of ~~\$50~~ \$100, provided said authorized number thereof exceeds 5,000 shares and does not exceed 10,000 shares; and the further sum of ~~\$25~~ \$50 for each 10,000 shares, or any part thereof, authorized in excess of 10,000 shares.'

Sec. 8. R. S., c. 16, § 107, amended. The 2nd sentence of section 107 of chapter 16 of the revised statutes is hereby amended to read as follows:

'The State Tax Assessor shall, on or before the 1st day of July, 1955 and annually thereafter, assess the tax provided by the preceding section upon the authorized capital stock of each of said corporations and shall thereupon notify each of said corporations of the amount of said tax assessed to it, and such tax shall become due and payable from said corporation to the State Tax Assessor on the 1st day of September thereafter.'

Sec. 9. R. S., c. 61, § 14, amended. Section 14 of chapter 61 of the revised statutes is hereby amended to read as follows:

'**Sec. 14. Consumers' tax on spirituous and vinous liquor.** All spirits and wines shall be sold by the Commission at a price to be determined by the Commission which will produce a state liquor tax of not less than 61% based on the less carload cost f. o. b., State Liquor Commission Warehouse, and in addition thereto there shall be levied and imposed an excise tax of 24c per gallon on wines containing 10% to 14% alcohol by volume, 75c per gallon on wines containing 15% to 21% alcohol by volume and \$5 per gallon on sparkling wines; except that spirits and wines sold at wholesale under the provisions of section 43, may be sold at wholesale prices established pursuant to the provisions thereof and provided further, that prices for sale of spirits and wines bought by the Commission from Maine licensees to manufacture liquor under the provisions of section 15 shall be based on minimum truck load delivery prices f. o. b. warehouse as the same are filed with the Public Utilities Commission, and provided further, that special orders by the Commission for unstocked merchandise shall be priced at not less than 61% over actual cost delivered f. o. b. warehouse. In all cases the Commission is authorized to round off costs to the next highest 5 cents. Any increased Federal taxes levied on or after April November 1, 1941 shall be added to the established price without markup. All net revenue derived from such tax shall be deposited to the credit of the general fund of the State.'

Sec. 10. R. S., c. 61, § 43, amended. Section 43 of chapter 61 of the revised statutes is hereby amended to read as follows:

'**Sec. 43. Liquor bought from Commission.** All persons, except public service corporations operating interstate, licensed to sell spirituous or vinous liquor shall purchase all such liquor from the Commission. The Commission shall sell to such licensees spirituous and vinous liquor for a price of 10% less than the retail price in state retail stores provided that such discount shall not apply to Federal taxes levied on and after April November 1, 1941.'