

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)

Maine
REVISED STATUTES
1964

*Prepared Under the Supervision
of the
Committee on Revision of Statutes*

Being the Tenth Revision of the
Revised Statutes of the State
of Maine, 1964

Volume 6
Titles 33 to 39



Boston, Mass.
Boston Law Book Co.

Orford, N. H.
Equity Publishing Corporation

St. Paul, Minn.
West Publishing Co.

Text of Revised Statutes
Copyright © 1964
by
State of Maine

This is a historical version of the Maine Revised Statutes that may not reflect the current state of the law. For the most current version, go to:

<http://legislature.maine.gov/legis/statutes/>

CHAPTER 357

INSURANCE COMPANIES

Sec.

- 2511. Companies taxable; rate.
- 2512. Annual returns to Insurance Commissioner.
- 2513. Tax on premiums and annuity considerations.
- 2514. Applicability of provisions.
- 2515. Amount of tax.
- 2516. Returns to State Tax Assessor.
- 2517. Mutual fire companies doing mill business; returns.
- 2518. Neglect to make return; assessment; failure to pay.
- 2519. Ratio of tax on foreign insurance companies; return and assessment of tax.
- 2520. Reciprocal contracts of indemnity; returns.
- 2521. Power and authority of domestic companies.
- 2522. Assessment of tax; notice; suspension for nonpayment.

§ 2511. Companies taxable; rate

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 municipality in which such real estate is situated, in the same manner as other real estate is taxed therein; 2nd, it shall pay a tax of 1% upon all gross direct premiums written, including annuity considerations, whether in cash or notes absolutely payable, received from residents of this State during the year preceding the assessment, 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 2517, including surety companies and companies engaged in the business of credit insurance or title insurance shall 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.

R.S.1954, c. 16, § 137.

§ 2512. Annual returns to Insurance Commissioner

Every 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 section 2511, 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 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 to policyholders in this State on account of said premiums or annuity considerations as required by blanks furnished by the commissioner. The taxes provided by section 2511 shall be assessed and paid as provided in section 2522, and said section and section 2518 shall be applicable thereto.

R.S.1954, c. 16, § 138.

§ 2513. Tax on premiums and annuity considerations

Every insurance company or association which does business or collects premiums or assessments including annuity considerations in the State, except those mentioned in sections 2511 and 2517, 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 annually pay a tax upon all gross direct premiums including annuity considerations, whether in cash or otherwise, on contracts written on risks located or resident in the State for insurance of life, annuity, fire, casualty and other risks at the rate of 2% a year.

R.S.1954, c. 16, § 139.

§ 2514. Applicability of provisions

Sections 2511, 2512 and 2513 shall not apply to the taxation of any annuity consideration on any annuity contract issued prior to August 1, 1943.

R.S.1954, c. 16, § 140.

§ 2515. Amount of tax

In determining the amount of tax due under sections 2511 and 2513, there shall be deducted by each company from the full amount of gross direct premiums, the amount of all direct return premiums thereon, and all dividends paid to policyholders on di-

rect premiums and the tax shall be computed by said companies or their agents.

R.S.1954, c. 16, § 141.

§ 2516. Returns to State Tax Assessor

Every company or association which by sections 2511 and 2513 is required to pay a tax shall, on or before the first day of each March, make a return under oath to the State Tax Assessor, stating the amount of all gross direct premiums written by said company, either in cash or otherwise, on risks located or resident in this State during the year ending on the 31st day of December previous, the amount of direct return premiums thereon and dividends paid to the policyholders on direct premiums during said year.

R.S.1954, c. 16, § 142.

§ 2517. Mutual fire companies doing mill business; returns

Mutual fire insurance companies incorporated under the laws of other states, which insure only factories or mills, or property connected with such factories or mills, admitted to do business in this State, shall comply with all the requirements of law except that in lieu of all other taxation upon premiums in this State, such companies shall annually pay a tax at the rate of 2% on gross premiums in force on risks in this State, after deducting the unabsorbed portion of such premium, computed at the rate of return actually made on annual policies expiring during the year by said insurance companies. Such companies shall, on or before the first day of each March, make a return, under oath, to the State Tax Assessor, showing the gross premiums in force on risks in this State on the 31st day of December previous and the unabsorbed portion of such premiums computed at the rate of return actually made on annual policies expiring during the year by said insurance companies.

R.S.1954, c. 16, § 143.

§ 2518. Neglect to make return; assessment; failure to pay

If any insurance company or association refuses or neglects to make the return required by sections 2516 and 2517, the State Tax Assessor shall make such assessment on such company or association as he deems just, and unless the same is paid on demand, the State Tax Assessor shall certify to the Insurance Com-

missioner that payment of such tax has not been made and such company or association shall do no more business in the State, and the Insurance Commissioner shall give notice accordingly. Whoever, after such notice, does business for such company or association shall be punished by a fine of not more than \$500 or by imprisonment for not more than 90 days, or by both.

R.S.1954, c. 16, § 144; 1959, c. 378, § 2.

§ 2519. Ratio of tax on foreign insurance companies; return and assessment of tax

Any insurance company incorporated by a state of the United States or province of the Dominion of Canada whose laws impose upon insurance companies chartered by this State any greater tax than is herein provided shall pay the same tax upon business done by it in this State, in place of the tax provided in any other section of this Title. The State Tax Assessor may require the return upon which such tax may be assessed to be made to him, and may assess such tax. If it is not paid as provided in section 2522, the Insurance Commissioner shall suspend the right of said company to do business in this State. Any insurance company incorporated by another country shall be regarded for the purposes of this section as though incorporated by the State where it has elected to make its deposit and establish its principal agency in the United States.

R.S.1954, c. 16, § 145.

§ 2520. Reciprocal contracts of indemnity; returns

Every attorney, agent or other representative by or through whom are issued policies or contracts of indemnity of the kind referred to in Title 24, chapter 7, subchapter 2 in lieu of all other taxation, state, county or municipal, in this State, shall annually pay a tax at the rate of 2% on gross premiums or deposits actually received during the year after deducting amounts actually returned to policyholders as the unused part of such premium or deposit, or such part as may be credited on the renewal or extension of the indemnity. Such attorney, agent or other representative shall, on or before the first day of each March, make a return under oath to the State Tax Assessor showing the gross premiums or deposits actually received during the preceding calendar year and such unused part of such premium or deposit as has been returned to policyholders or credited on renewal or extension of the indemnity.

R.S.1954, c. 16, § 146.

§ 2521. Power and authority of domestic 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. 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, if at a later date the Supreme Court of the United States declares such tax or deposit to be unconstitutional.

R.S.1954, c. 16, § 147.

§ 2522. Assessment of tax; notice; suspension for nonpayment

The taxes imposed by sections 2513, 2517, 2519 and 2520 respectively, shall be assessed by the State Tax Assessor on or before the 15th day of April annually, and the same shall be paid to the State Tax Assessor on or before the first day of May following. The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily. The State Tax Assessor shall notify the several companies, and the agent, attorney or other representative mentioned in section 2520, and unless the tax is paid, the Insurance Commissioner shall suspend the right of the company, agent, attorney or other representative to do any further business in the State until the tax is paid.

R.S.1954, c. 16, § 148.