

HOUSE No. 312.

[Mr. BROWN of Boston gives notice that he will move to substitute this bill for the bill to amend "An Act to impose an excise tax upon life insurance companies." (House, No. 200.)]

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Eighty-one.

AN ACT

To tax investments in Life and other Insurance Companies.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows: —

1 SECTION 1. Every life or accident insurance com-
2 pany or other corporation or association now or at
3 any time hereafter engaged in the business of insur-
4 ing lives or issuing policies or other contracts contin-
5 gent upon the duration of life or health, or the
6 attainment of a particular age, within the Common-

7 wealth of Massachusetts, shall, on the first day of
8 February and on the first day of August in each
9 year, make a report to the tax commissioner, verified
10 by the oath of two of its executive officers or trus-
11 tees, showing the amount paid by such company or
12 association during the six months ending with the
13 thirty-first day of December or of July next pre-
14 ceding, upon all such policies or contracts, which at
15 the time of maturity were held or owned by resi-
16 dents of this Commonwealth, including reversionary
17 dividends, paid with such policies or contracts, and
18 shall pay into the treasury of the state the sum of
19 three per centum upon the total amount of such
20 payments.

1 SECT. 2. It shall be lawful for any company or
2 association which is liable to the tax imposed by
3 this act to deduct and withhold, at the time of pay-
4 ment of any policy or contract upon which such tax
5 is payable, three per centum of the amount thereof;
6 and the payment to the owner or beneficiary of such
7 policy or contract of the principal sum less three per
8 centum, and the subsequent payment into the state
9 treasury of three per centum upon such principal
10 sum at the time prescribed by this act, shall together
11 be a full discharge of the obligation of such policy
12 or contract.

1 SECT. 3. If any company or association shall
2 neglect or refuse to comply with the provisions of
3 this act, the insurance commissioner, on notice from
4 the tax commissioner of the fact, shall revoke its

5 authority to transact business in Massachusetts; but
6 such revocation shall not discharge or impair the
7 claim of the Commonwealth against such company
8 or association for the amount of said tax.

1 SECT. 4. This act shall take effect upon its pas-
2 sage.

