

SENATE No. 236.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Sixty-Four.

AN ACT

To change the Mode of Taxing Property in Corporations.

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

1 SECT. 1. The assessors of the several cities and
2 towns shall annually, on or before the first Monday of
3 August, return to the treasurer of the Commonwealth
4 the names of all corporations having a capital stock
5 divided into shares, chartered by this Commonwealth
6 or organized under the general laws, and established
7 in their respective cities and towns, or owning real
8 estate therein, and the value of the real estate and

9 machinery for which each was taxed in such cities
10 and towns on the first day of May preceding.

1 SECT. 2. Every corporation, and every banking
2 association not exempted from taxation by the laws of
3 the United States, organized under the laws of, or
4 located in this Commonwealth, having a capital stock
5 divided into shares, shall annually, between the first
6 and tenth days of May, return to the treasurer of the
7 Commonwealth, under the oath of its cashier or treas-
8 urer, a complete list of its shareholders, with their
9 places of residence, the number of shares belonging
10 to each on the first day of May, the amount of the
11 capital stock of the corporation, and the par value
12 and the cash market value of the shares on said first
13 day of May. This return shall also be made by the
14 stock department of "stock and mutual" insurance
15 companies.

1 SECT. 3. When any railroad extends beyond the
2 limits of the state, the corporation shall return, in
3 addition to what is required in the preceding section,
4 the whole cost, exclusive of rolling stock, of the road
5 and its branches owned by the company, or repre-
6 sented in its capital stock, and the cost, exclusive of
7 rolling stock, of the road and branches lying within
8 the limits of this state.

1 SECT. 4. Every guardian who holds, or whose
2 ward or wards hold stock in any corporation, and
3 every executor, administrator or trustee who holds in

4 trust any such stock, shall between the first and
5 tenth days of May in each year return under oath to
6 the treasurer of the Commonwealth, the names and
7 residences on the first day of that month, of them-
8 selves and all such wards or other persons to whom
9 any portion of the income from such stock is payable,
10 the number of shares of stock so held, and the name
11 and location of the corporation in which they are
12 held.

1 SECT. 5. The treasurer and the auditor of the
2 Commonwealth shall be a board of commissioners
3 who shall, excepting in the cases of telegraph, coal
4 and mining companies, and such railroad companies
5 as own lines of railroad extending beyond the limits
6 of the state, ascertain from the returns or otherwise,
7 the excess of the market value of all the capital stock
8 of each stock corporation or banking association not
9 exempted from taxation by the laws of the United
10 States over the value of its real estate and machinery,
11 if any, as returned under the first section of this act,
12 and shall annually, on or before the first Monday of
13 October, notify its cashier or treasurer respectively,
14 of the excess thus ascertained ; and every such corpo-
15 ration shall annually, on or before the first Monday
16 of November, pay to the treasurer of the Common-
17 wealth, a tax of one and one-sixth per cent. upon such
18 excess. Nothing in this section shall affect the
19 liability of any bank, insurance company, or any other
20 corporation for any other tax imposed upon it, and
21 payable to the treasurer of the Commonwealth under
22 other existing laws.

1 SECT. 6. When a railroad extends beyond the
2 limits of this Commonwealth, the part of the capital
3 stock of the company, owning the same, to be taxed
4 under this act, shall be such a proportion of its whole
5 capital stock as the cost of the road and its branches
6 in this state, exclusive of rolling stock, bears to the
7 whole cost of the road and its branches, exclusive of
8 rolling stock. Said board of commissioners shall
9 ascertain the excess of the market value of said part
10 of the capital stock of each of such railroad com-
11 panies, respectively, over the value of its real estate
12 and machinery, as returned under the first section of
13 this act, and shall annually, on or before the first
14 Monday of October, notify each of said railroad
15 companies, respectively, of its excess thus ascertained ;
16 and each of said companies shall annually, on or
17 before the first Monday of November, pay to the
18 treasurer of the Commonwealth, a tax of one and
19 one-sixth per cent. on such excess.

1 SECT. 7. When any stock insurance corporation,
2 taxed under the provisions of this act, legally owns or
3 holds absolutely, and not in mortgage, pledge or as
4 collateral security, on the first day of May, shares in
5 the capital stock of any other corporation, taxed
6 under the provisions of this act, said stock insurance
7 corporation shall be credited and allowed in the
8 payment of the tax upon its capital stock, the amount
9 assessed to such other corporation upon the portion
10 of its capital stock so owned or held. Where any
11 savings bank or institution for savings, including the

12 Massachusetts Hospital Life Insurance Company and
13 the Mercantile Savings Institution, in the city of Bos-
14 ton, legally owns or holds as above, shares in the
15 capital stock of any bank, taxed under the provisions
16 of this act, such savings bank or institution for savings
17 shall, in each semi-annual payment of the tax assessed
18 under the provisions of chapter two hundred and
19 twenty-four of the acts of the year eighteen hundred
20 and sixty-two, and chapter one hundred and sixty-four
21 of the acts of the year eighteen hundred and sixty-
22 three, after the payment to become due within ten
23 days from the first day of June next, be credited and
24 allowed one-half the amount assessed to such bank,
25 at the last preceding annual assessment upon the
26 portion of its capital stock so owned or held.

1 SECT. 8. Such proportion of the taxes paid under
2 the fifth and sixth sections of this act, as corresponds
3 to the proportion of the stock of each corporation,
4 owned in this Commonwealth by other parties than
5 insurance companies, savings banks, and institutions
6 for savings, shall be credited and paid to the several
7 cities and towns, where it appears from the returns
8 that the shareholders resided on the first day of May,
9 according to the number of shares held in such cities
10 and towns respectively: *provided*, that in case stock
11 is held by guardians, executors, administrators, or
12 trustees, the proportion of tax corresponding to the
13 amount of stock so held shall be credited and paid to
14 the towns where the stock would have been taxed,
15 under the provisions of law contained in the fourth

16 and fifth divisions of section twelve of chapter eleven
17 of the General Statutes.

1 SECT. 9. When a line of telegraph extends beyond
2 the limits of the Commonwealth, the corporation shall,
3 in addition to the returns required by section two,
4 return, under the oath of its treasurer, the whole
5 length of the line and the length of that part of the
6 line lying within the limits of the Commonwealth ;
7 and the portion of the capital stock of said corpora-
8 tion to be taxed under this act, shall be such a pro-
9 portion of its whole capital stock as the length of the
10 line in the Commonwealth bears to the whole length
11 of the line ; and every telegraph corporation shall
12 annually, on or before the first day of October, pay
13 to the treasurer of the Commonwealth a tax of one
14 and one-sixth per cent. on the market value of all its
15 capital stock, if the line owned by it is wholly within
16 the state, otherwise on so much of its capital stock
17 as corresponds to the length of its line of telegraph
18 in this state.

1 SECT. 10. Each coal and mining company chartered
2 by this Commonwealth, or organized under the gen-
3 eral laws, shall, in addition to the returns required by
4 section two, return at the same time, under the oath
5 of its treasurer, the amount of taxes paid by such
6 company within the preceding six months upon any
7 of its real estate and machinery, specifying what was
8 paid in this state, and what was paid elsewhere, and
9 shall make a like return between the first and tenth

10 days of November as is required between the first and
11 tenth days of May.

1 SECT. 11. Said board of commissioners shall,
2 semi-annually, on the first Mondays of June and
3 December, assess a tax of seven-twelfths of one
4 per cent. on the market value of all the capital
5 stock of every coal and mining company chartered by
6 this Commonwealth, or organized under its general
7 laws, as ascertained from the returns and otherwise,
8 and shall immediately notify the treasurer of the com-
9 pany of the excess of such tax over the amount of
10 tax paid by such company on its real estate and
11 machinery within the preceding six months; and
12 every such company shall, semi-annually, on or
13 before the first Mondays of July and January, pay to
14 the treasurer of the Commonwealth the amount of
15 such excess.

1 SECT. 12. Every mutual and the mutual depart-
2 ment of every "stock and mutual" insurance company
3 shall annually, on or before the third Monday of June,
4 pay the treasurer of the Commonwealth a tax of one
5 and one-sixth per cent., to be assessed by said treas-
6 urer upon any surplus or guarantee capital held,
7 possessed, or owned by such company, and not invested
8 in real estate and in United States stocks by law
9 exempted from taxation, or in the stock of corpor-
10 ations which are taxed under the provisions of this
11 act, as ascertained from the returns made to the
12 insurance commissioners for the preceding year.

1 SECT. 13. In cases where towns or cities shall
2 have fixed the amount of taxes to be assessed for the
3 present year, prior to the passage of this act, they
4 may, if they see fit, at meetings called for that pur-
5 pose, reduce the amount of money so to be raised, in
6 view of the provisions of this act.

1 SECT. 14. If the assessors of any city or town shall
2 neglect to comply with the requirements of this act,
3 each assessor so neglecting shall forfeit a sum not
4 exceeding two hundred dollars ; and any guardian,
5 executor, administrator or trustee, neglecting to com-
6 ply with said requirements, shall forfeit a sum not
7 exceeding one thousand dollars.

1 SECT. 15. If any corporation, company or associa-
2 tion fails to make a return according to the provisions
3 of this act, it shall forfeit two per cent. upon the par
4 value of its capital stock, to be recovered by indict-
5 ment, and if any corporation, company or association
6 fails or neglects to pay the taxes required by this act,
7 the treasurer shall forthwith commence an action of
8 contract, in the name of the Commonwealth, for the
9 recovery of the same, with interest, and the said
10 corporation, company, or association, shall be further
11 liable, on application of the treasurer of the Common-
12 wealth therefor, to an injunction restraining said
13 corporation, company, or association, and the agents
14 thereof, from the further prosecution of its business,
15 until all taxes due by virtue of this act, with costs and
16 interest, shall be fully paid.

1 SECT. 16. The shares in the capital stock of any
2 corporation, company or association, taxed by this act,
3 shall be exempt from taxation to the shareholders for
4 the current year in which the taxes provided by this
5 act are assessed ; but nothing in this act contained
6 shall be construed to affect the right of any city or
7 town, under existing laws, to assess and collect taxes
8 as heretofore, on the real estate and machinery of any
9 corporation.

1 SECT. 17. The annual returns required to be made
2 between the first and tenth day of May, under the
3 provision of the second section, may be made the
4 present year on or before the first day of June.

1 SECT. 18. Chapter two hundred and thirty-six of
2 the acts of the year eighteen hundred and sixty-three
3 is hereby repealed ; but this repeal shall not affect
4 any right, claim or liability, which has already accrued
5 under the provisions of said act.

1 SECT. 19. This act shall take effect upon its
2 passage.

HOUSE OF REPRESENTATIVES, April 29, 1864.

Passed to be engrossed.

Sent up for concurrence.

W. S. ROBINSON, *Clerk.*

