

**Title 36: TAXATION**  
**Chapter 361: RAILROAD COMPANIES**

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**Maine Revised Statutes**  
**Title 36: TAXATION**  
**Chapter 361: RAILROAD COMPANIES**

**§2621. ANNUAL RETURNS**  
*(REPEALED)*

SECTION HISTORY

1973, c. 268, §1 (AMD). 1983, c. 571, §4 (RP).

**§2621-A. DEFINITIONS**

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [1983, c. 571, §5 (NEW).]

**1. Net railway operating income.** "Net railway operating income" means railway operating revenues, including debits and credits arising from equipment rents and joint facility rents, less railway operating expenses, tax accruals and uncollectible railway revenues.

[ 1983, c. 571, §5 (NEW) . ]

**2. Operating investment.** "Operating investment" means investment in railway property used in transportation service, less depreciation, plus cash, including temporary cash investments and special deposits, plus material and supplies. For purposes of railroad excise taxes payable in 1986, based upon operations for the calendar year 1985, "operating investment" also includes freight car operating leases of 10 years or more, valued at cost less straight-line depreciation over the initial term of the lease.

[ 1985, c. 477, §2 (AMD) . ]

**3. Maine capital tax credit.** "Maine capital tax credit" is a credit against the tax imposed by section 2624.

A. The credit allowed against the tax imposed by section 2624 shall be in an amount equal to:

- (1) The credit carry-forwards carried to the taxable year;
- (2) The amount of the current year credit; plus
- (3) The credit carry-backs carried to the taxable year. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

B. The credit shall be an amount equal to 45% of the expenditures for a taxable year related to capital investments, improvements or renovations to a railroad's operations in this State. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF) . ]

C. If the sum of the credit carry-forwards to the taxable year plus the amount of the current taxable year credit authorized in this section would reduce the tax in the taxable year below the minimum tax set forth in section 2624, such excess shall be:

- (1) A credit carry-back to each of the preceding 3 taxable years; and
- (2) A credit carry-forward to each of the 5 taxable years following the taxable year. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF) . ]

D. The entire amount of the unused credit shall be carried to the earliest of the taxable years to which, by reason of this subsection, the credit may be carried and then to each of the other taxable years to the extent the unused credit may not be used for a prior taxable year. In no event may a carry-back apply to any taxable year ending prior to January 1, 1990. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

E. In order for a taxpayer to qualify for a credit under this subsection, the taxpayer may not require any landowner to pay any fee or charge for maintenance or repair or to assume liability for crossings or rights-of-way if the landowner was not required to do so prior to July 1, 1987; and the taxpayer must continue to maintain crossings and rights-of-way which it was required to maintain on that date and may not remove the crossing if there is any objection to their being removed, provided that the landowner's use remains the same and that the landowner complies with requirements to keep gates secured. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

F. [2003, c. 498, §12 (AFF); 2003, c. 498, §8 (RP).]

[ 2003, c. 498, §8 (AMD); 2003, c. 498, §12 (AFF) .]

#### SECTION HISTORY

1983, c. 571, §5 (NEW). 1983, c. 593, §1 (AMD). 1985, c. 477, §2 (AMD). 1989, c. 586, §1 (AMD). 1989, c. 702, §E19 (AMD). 1989, c. 875, §E59 (AMD). 1991, c. 528, §N3 (AMD). 1991, c. 528, §N4,RRR (AFF). 1991, c. 591, §N3 (AMD). 1991, c. 591, §N4 (AFF). 2003, c. 498, §8 (AMD). 2003, c. 498, §12 (AFF).

## §2622. PENALTIES

*(REPEALED)*

#### SECTION HISTORY

1977, c. 679, §12 (RP).

## §2623. EXCISE TAX; PAYMENT TO CITIES AND TOWNS ONE PERCENT ON STOCK HELD THEREIN

Every corporation, person or association operating any railroad in the State under lease or otherwise shall pay to the State Tax Assessor, for the use of the State, an annual excise tax for the privilege of exercising its franchises and the franchises of its leased roads in the State, which, with the tax provided for in section 561, is in place of all taxes upon the property of such railroad. [1973, c. 268, §2 (AMD).]

#### SECTION HISTORY

P&SL 1969, c. 154, §E (AMD). 1973, c. 268, §2 (AMD).

## §2624. AMOUNT OF TAX

The amount of the annual excise tax on railroads shall be ascertained as follows: The amount of the gross transportation receipts for the year ended on the 31st day of December preceding the levying of the tax shall be compared with the net railway operating income for that year. When the net railway operating income does not exceed 10% of the gross transportation receipts, the tax shall be an amount equal to 3 1/4% of the gross transportation receipts. When the net railway operating income exceeds 10% of the gross transportation receipts but does not exceed 15%, the tax shall be an amount equal to 3 3/4% of the gross transportation receipts. When the net railway operating income exceeds 15% of the gross transportation receipts but does not exceed 20%, the tax shall be an amount equal to 4 1/4% of such gross transportation receipts. When the net railway operating income exceeds 20% of the gross transportation receipts but does not exceed 25%, the tax shall be an amount equal to 4 3/4% of the gross transportation receipts. When the net railway operating

income exceeds 25% of the gross transportation receipts, the tax shall be an amount equal to 5 1/4% of the gross transportation receipts. The tax shall be decreased by the amount by which 5 3/4% of operating investment exceeds net railway operating income but shall in no event be decreased below a minimum amount equal to 1/2 of 1% of gross transportation receipts. In the case of railroads operating not over 50 miles of road, the tax shall not exceed 1 3/4% of the gross transportation receipts. [1989, c. 586, §2 (AMD).]

When a railroad lies partly within and partly without the State, or is operated as a part of a line or system extending beyond the State, the tax shall be equal to the same proportion of the gross transportation receipts in the State, and its amount shall be determined as follows: The gross transportation receipts of such railroad, line or system, as the case may be, over its whole extent, within and without the State, shall be divided by the total number of miles operated to obtain the average gross transportation receipts per mile, and the gross transportation receipts in the State shall be taken to be the average gross transportation receipts per mile multiplied by the number of miles operated within the State, and the net railway operating income within the State shall be similarly determined.

The State Tax Assessor, after notice and hearing, may determine the accuracy of any returns required of any railroad, and if found inaccurate, may order proper corrections to be made therein. [1983, c. 571, §7 (AMD).]

The tax calculated pursuant to this section, for any taxable year, shall be decreased by a tax credit as defined in section 2621-A, subsection 3, calculated for that same taxable year. At no time may a tax credit be utilized to decrease the tax below the minimum tax imposed by this section. [1989, c. 586, §3 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

#### SECTION HISTORY

1971, c. 549, (AMD). 1977, c. 78, §200 (AMD). 1979, c. 470, (AMD). 1981, c. 384, (AMD). 1981, c. 682, §§1,2 (AMD). 1983, c. 571, §§6,7 (AMD). 1989, c. 586, §§2,3 (AMD). 1989, c. 702, §E19 (AMD). 1989, c. 875, §E59 (AMD).

## §2625. RETURN AND PAYMENT

Every railroad company incorporated under the laws of this State or doing business in this State shall file with the State Tax Assessor annually, on or before April 15th, a railroad excise tax return, on a form prescribed by the State Tax Assessor. The tax must be paid in equal installments on the next June 15th, September 15th and December 15th. The Treasurer of State shall deposit all taxes paid under this chapter into the Multimodal Transportation Fund account established under Title 23, section 4210-B. [2013, c. 424, Pt. A, §25 (AMD).]

### 1. Railroad Freight Service Quality Fund.

[2005, c. 248, §3 (NEW); T. 36, §2625, sub-§1 (RP).]

#### SECTION HISTORY

1983, c. 571, §8 (RPR). 2003, c. 498, §9 (AMD). 2003, c. 498, §12 (AFF). 2005, c. 248, §3 (AMD). 2005, c. 457, §GGG7 (AMD). 2011, c. 649, Pt. E, §5 (AMD). 2013, c. 424, Pt. A, §25 (AMD).

## §2626. PAYMENT SCHEDULE

*(REPEALED)*

#### SECTION HISTORY

1981, c. 364, §31 (RPR). 1983, c. 571, §9 (RP).

## **§2627. ABATEMENT**

*(REPEALED)*

### SECTION HISTORY

1977, c. 694, §708 (RP).

## **§2628. FURTHER RETURNS; ACCESS TO BOOKS BY PUBLIC UTILITIES COMMISSION**

*(REPEALED)*

### SECTION HISTORY

1977, c. 679, §13 (AMD). 1979, c. 378, §20 (AMD). 1983, c. 571, §10 (RP).

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