

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)



121st MAINE LEGISLATURE

SECOND REGULAR SESSION-2004

Legislative Document

No. 1718

S.P. 650

In Senate, December 17, 2003

An Act To Clarify the Sales Tax Exemptions Regarding Assisted Housing Programs

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 16, 2003. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MAYO of Sagadahoc.
Cosponsored by Representative DUDLEY of Portland and
Senator: LaFOUNTAIN of York, Representatives: DAVIS of Falmouth, KOFFMAN of Bar
Harbor, MAILHOT of Lewiston, O'NEIL of Saco, RICHARDSON of Brunswick, SUSLOVIC
of Portland, WATSON of Bath.

2 **Emergency preamble. Whereas,** Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4 **Whereas,** sales to residential care facilities are exempt
6 from sales tax; and

8 **Whereas,** recent changes to the law differentiated between
residential care facilities and assisted housing programs for the
10 elderly; and

12 **Whereas,** these changes have led to some ambiguity over
whether assisted housing programs for the elderly are exempt from
14 the sales tax; and

16 **Whereas,** it is vital that this ambiguity be dealt with as
soon as possible to prevent harm to those assisted housing
18 programs; and

20 **Whereas,** in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
22 Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health and
24 safety; now, therefore,

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

28 **Sec. 1. 36 MRSA §1760, sub-§16,** as amended by PL 1999, c. 708,
§25, is further amended to read:

30 **16. Hospitals, research centers, churches and schools.**
32 Sales to incorporated hospitals, incorporated nonprofit nursing
homes licensed by the Department of Human Services, incorporated
34 nonprofit residential care facilities and assisted housing
programs for the elderly licensed by the Department of Human
36 Services, incorporated nonprofit home health agencies certified
under the United States Social Security Act of 1965, Title XVIII,
38 as amended, incorporated nonprofit rural community health centers
engaged in, or providing facilities for, the delivery of
40 comprehensive primary health care, incorporated nonprofit dental
health centers, institutions incorporated as nonprofit
42 corporations for the sole purpose of conducting medical research
or for the purpose of establishing and maintaining laboratories
44 for scientific study and investigation in the field of biology or
ecology or operating educational television or radio stations,
46 schools, incorporated nonprofit organizations or their affiliates
whose purpose is to provide literacy assistance or free clinical
48 assistance to children with dyslexia and regularly organized
churches or houses of religious worship, excepting sales, storage
50 or use in activities that are mainly commercial enterprises.

2 "Schools" means incorporated nonstock educational institutions,
3 including institutions empowered to confer educational, literary
4 or academic degrees, that have a regular faculty, curriculum and
5 organized body of pupils or students in attendance throughout the
6 usual school year and that keep and furnish to students and
7 others records required and accepted for entrance to schools of
8 secondary, collegiate or graduate rank, no part of the net
9 earnings of which inures to the benefit of any individual.

10 **Emergency clause.** In view of the emergency cited in the
11 preamble, this Act takes effect when approved.

12

14

SUMMARY

16 This bill clarifies that sales made to incorporated
17 nonprofit assisted housing programs for the elderly licensed by
18 the Department of Human Services are exempt from taxation.