

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 465

H.P. 349

House of Representatives, January 29, 2019

**An Act To Eliminate the Service Provider Tax on Services Covered
by Medicaid**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative STEWART of Presque Isle.
Cosponsored by Senator DOW of Lincoln and
Representatives: BICKFORD of Auburn, CURTIS of Madison, KRYZAK of Acton,
SWALLOW of Houlton, Senators: POULIOT of Kennebec, TIMBERLAKE of Androscoggin.

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

2 **Sec. 1. 36 MRSA §2551, sub-§1-A**, as amended by PL 2007, c. 539, Pt. DDD,
3 §1, is repealed.

4 **Sec. 2. 36 MRSA §2551, sub-§1-B**, as amended by PL 2011, c. 542, Pt. A, §136,
5 is repealed.

6 **Sec. 3. 36 MRSA §2551, sub-§1-H**, as enacted by PL 2013, c. 368, Pt. OOOO,
7 §1, is repealed.

8 **Sec. 4. 36 MRSA §2551, sub-§7-B**, as amended by PL 2011, c. 542, Pt. A, §138,
9 is repealed.

10 **Sec. 5. 36 MRSA §2551, sub-§10**, as amended by PL 2015, c. 300, Pt. A, §30, is
11 repealed.

12 **Sec. 6. 36 MRSA §2551, sub-§11**, as corrected by RR 2015, c. 2, §24, is
13 repealed.

14 **Sec. 7. 36 MRSA §2552, sub-§1, ¶F**, as amended by PL 2005, c. 12, Pt. VV, §2,
15 is further amended to read:

16 F. The installation, maintenance or repair of telecommunications equipment; and

17 **Sec. 8. 36 MRSA §2552, sub-§1, ¶G**, as amended by PL 2015, c. 300, Pt. A,
18 §32, is repealed.

19 **Sec. 9. 36 MRSA §2552, sub-§1, ¶H**, as amended by PL 2007, c. 539, Pt. DDD,
20 §5, is repealed.

21 **Sec. 10. 36 MRSA §2552, sub-§1, ¶I**, as amended by PL 2011, c. 542, Pt. A,
22 §139, is repealed.

23 **Sec. 11. 36 MRSA §2552, sub-§1, ¶J**, as amended by PL 2013, c. 368, Pt.
24 OOOO, §2, is repealed.

25 **Sec. 12. 36 MRSA §2552, sub-§1, ¶L**, as amended by PL 2013, c. 368, Pt.
26 OOOO, §3, is further amended to read:

27 L. Ancillary services; ~~and~~.

28 **Sec. 13. 36 MRSA §2552, sub-§1, ¶M**, as enacted by PL 2013, c. 368, Pt.
29 OOOO, §4, is repealed.

30 **Sec. 14. 36 MRSA §2559**, as amended by PL 2015, c. 300, Pt. A, §35, is further
31 amended to read:

1 **§2559. Application of revenues**

2 Revenues derived by the tax imposed by this chapter must be credited to a General
3 Fund suspense account. On or before the last day of each month, the State Controller
4 shall transfer a percentage of the revenues received by the State Tax Assessor during the
5 preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs A
6 to F and L to the Local Government Fund as provided by Title 30-A, section 5681,
7 subsection 5. The balance remaining in the General Fund suspense account must be
8 transferred to service provider tax General Fund revenue. ~~On or before the 15th day of~~
9 ~~each month, the State Controller shall transfer all revenues received by the assessor~~
10 ~~during the preceding month pursuant to the tax imposed by section 2552, subsection 1,~~
11 ~~paragraphs G to J and M to the Medical Care Services Other Special Revenue Funds~~
12 ~~account, the Other Special Revenue Funds Mental Health Services Community~~
13 ~~Medicaid program, the Medicaid Services Adult Developmental Services program and~~
14 ~~the Office of Substance Abuse Medicaid Seed program within the Department of Health~~
15 ~~and Human Services.~~

16 **Sec. 15. Application.** This Act applies to services provided on or after January 1,
17 2020.

18 **SUMMARY**

19 This bill repeals portions of the service provider tax that apply to services that are
20 covered by the federal Medicaid program.