

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 1154

S.P. 433

In Senate, March 18, 1991

Reference to the Committee on Taxation suggested and ordered printed.

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

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator BUSTIN of Kennebec  
Cosponsored by Senator BOST of Penobscot.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act to Clarify the Tax Status of Nonprofit Hospitals, Nursing Homes  
and Boarding Homes.**

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

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4 36 MRSA §652, sub-§1, ¶A, as amended by PL 1971, c. 475, is further amended to read:

6 A. The real estate and personal property owned and occupied  
8 or used solely for their own purposes by benevolent and  
10 charitable institutions incorporated by this State, and none  
12 of these shall ~~may~~ be deprived of the right of exemption by  
reason of the source from which its funds are derived or by  
reason of limitation in the classes of persons for whose  
benefit such funds are applied.

14 (1) Any such institution which is in fact conducted or  
16 operated principally for the benefit of persons who are  
not residents of Maine shall ~~be~~ is entitled to an  
18 exemption not to exceed \$50,000 of current just value  
20 only when the total amount of any stipends or charges  
22 which it makes or takes during any tax year, as defined  
24 by section 502, for its services, benefits or  
26 advantages divided by the total number of persons  
receiving such services, benefits or advantages during  
the same tax year does not result in an average rate in  
excess of \$30 per week when said weekly rate is  
computed by dividing the average yearly charge per  
person by the total number of weeks in a tax year  
during which such institution is in fact conducted or  
28 operated principally for the benefit of persons who are  
not residents of Maine. No such institution which is in  
30 fact conducted or operated principally for the benefit  
of persons who are not residents of Maine and makes  
32 charges which result in an average weekly rate per  
34 person, as computed under this subparagraph, in excess  
of \$30 shall ~~may~~ be entitled to tax exemption. This  
36 subparagraph shall does not apply to institutions  
incorporated as nonprofit corporations for the sole  
purpose of conducting medical research.

38 For the purpose of this paragraph, "benevolent and  
40 charitable institutions" includes but is not limited to  
42 nonprofit hospitals, nursing homes and boarding homes.

44 STATEMENT OF FACT

46 This bill clarifies existing law and provides a specific  
48 statutory reference indicating that nonprofit hospitals, nursing  
homes and boarding homes are exempt from property taxation.