

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1299

H.P. 902

House of Representatives, March 27, 1991

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed. Pert".

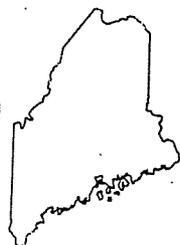
EDWIN H. PERT, Clerk

Presented by Representative PLOURDE of Biddeford.
Cosponsored by Representative HASTINGS of Fryeburg.

STATE OF MAINE

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

An Act to Redefine Nonprofit Status in the Sales and Use Tax Law.



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

2
36 MRSA §1752, sub-§7-C, as enacted by PL 1987, c. 343, §3,
4 is repealed and the following enacted in its place:

6 7-C. Nonprofit organization. "Nonprofit organization"
7 means any organization that:

8
9 A. Has been determined to be exempt from taxation under the
10 United States Internal Revenue Code, Section 501(c);

11 B. Spends not more than 15% of its annual income from all
12 sources on administrative and overhead expenditures; and

13 C. Provides at least 5% of its services or products without
14 charge to persons or households that meet the most recently
15 established federal poverty level.

18
19
20 **STATEMENT OF FACT**

21
22 This bill redefines "nonprofit" to include the provisions
23 that organizations must provide free services or products to
24 certain individuals and limit the amount of income spent on
25 administration and overhead.