

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 963

H.P. 706

House of Representatives, March 23, 1995

An Act to Exempt Nursing Homes from the Rooms and Meals Tax.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative HARTNETT of Freeport.

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

4 **Sec. 1. 36 MRSA §2821**, as enacted by PL 1993, c. 410, Pt. YY,
§2 and affected by §6, is amended to read:

6 **§2821. Tax assessment**

8 A tax is assessed upon all persons engaged in the business
10 of selling prepared food in establishments that are licensed for
on-premises consumption of liquor ~~or in the business of nursing
home operation~~ in the State.

12 **Sec. 2. 36 MRSA §2822, sub-§2**, as enacted by PL 1993, c. 410,
14 Pt. YY, §2 and affected by §6, is repealed.

16 **Sec. 3. 36 MRSA §2823**, as enacted by PL 1993, c. 410, Pt. YY,
18 §2 and affected by §6, is amended to read:

20 **§2823. Administration**

22 Except as otherwise provided in this chapter, this chapter
must be administered in the same manner as Part 3 is administered
24 exclusive of Title 30-A, section 5681. The tax imposed under
this chapter is in lieu of a tax under Part 3 that would
26 otherwise apply to the sale of the items or services from which
the gross receipts arise. Because the tax assessed by this
chapter is upon the person selling the item or service rather
28 than the consumer, Part 3 provisions that are in conflict do not
apply. Gross receipts arising from activities excluded from tax
30 under Part 3 are not subject to the tax imposed by this chapter.
Exemptions provided in Part 3 that apply to a sale from which
32 taxable gross receipts arise are exemptions for purposes of
computing gross receipts ~~except for exemptions pursuant to
34 section 1760, subsection 6, paragraph B and subsection 18
relating to nursing home care.~~ Gross receipts tax liabilities
36 are enforced as trust fund liabilities.

38 **Sec. 4. 36 MRSA §2825**, as enacted by PL 1993, c. 410, Pt. YY,
40 §2 and affected by §6, is repealed.

42 **STATEMENT OF FACT**

44 This bill repeals the taxes that are imposed upon meals and
rooms provided by nursing homes that are licensed by the State.