

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)



117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 1501

H.P. 1066

House of Representatives, May 4, 1995

**An Act to Include Child Care Centers in the Property Tax Exemptions
and to Amend the Review Schedule for Property Tax Exemptions.**

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative SAXL of Portland.
Cosponsored by Senator LONGLEY of Waldo and
Representatives: BENEDIKT of Brunswick, DORE of Auburn, GATES of Rockport,
LEMAIRE of Lewiston, MADORE of Augusta, MAYO of Bath, MITCHELL of Portland,
RICHARDSON of Portland, ROSEBUSH of East Millinocket, SAXL of Bangor, TUTTLE of
Sanford, WATSON of Farmingdale, Senators: AMERO of Cumberland, FERGUSON of
Oxford, MICHAUD of Penobscot, PARADIS of Aroostook, PINGREE of Knox.

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

2
4 **Sec. 1. 1 MRSA §2601, sub-§2**, as enacted by PL 1979, c. 687,
§1, is amended to read:

6 **2. Review of property tax exemptions.** The property tax
8 exemptions contained in Title 36, Part 2, shall must be reviewed
by January 1, 1984 and every 4 years thereafter until January 1,
10 1996, after which the review must occur every 2 years.

12 **Sec. 2. 36 MRSA §652, sub-§1, ¶A**, as amended by PL 1993, c.
286, §1 and affected by §2, is further amended to read:

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

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

46 For the purposes of this paragraph, "benevolent and
48 charitable institutions" include, but are not limited to,
nonprofit nursing homes and nonprofit boarding homes and
boarding care facilities licensed by the Department of Human
50 Services pursuant to Title 22, chapter 1665 or its successor

2 and, nonprofit community mental health service facilities
licensed by the Commissioner of Mental Health and Mental
4 Retardation, pursuant to Title 34-B, chapter 3 and child
care centers qualified under Section 501(c)(3) of the Code.
6 For the purposes of this paragraph, "nonprofit" means a
facility exempt from taxation under Section 501(c)(3) of the
Code;

8

10 **STATEMENT OF FACT**

12 This bill adds child care centers that are qualified under
Section 501(c)(3) of the United States Internal Revenue Code of
14 1986 to the list of organizations that are exempt from taxation.
The bill also requires the joint standing committee of the
16 Legislature having jurisdiction over taxation matters to review
all property tax exemptions every 2 years instead of every 4
18 years.