

MAINE STATE LEGISLATURE

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M
R. of S.

L.D. 1594

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DATE: May 25, 1999

(Filing No. S- 347)

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TAXATION

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Reported by:

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**STATE OF MAINE
SENATE
119TH LEGISLATURE
FIRST REGULAR SESSION**

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COMMITTEE AMENDMENT " A " to S.P. 532, L.D. 1594, Bill, "An Act to Promote Equity Among Health Care Clinics"

22

Amend the bill in section 1 in subsection 16 in the 7th line (page 1, line 12 in L.D.) by striking out the following: "rural community" and inserting in its place the following: 'rural community'

26

28

Further amend the bill in section 1 in subsection 16 in the 9th and 10th lines (page 1, lines 14 and 15 in L.D.) by striking out the following: "incorporated nonprofit health clinics."

30

32

Further amend the bill by inserting at the end before the summary the following:

34

FISCAL NOTE

36

1999-00

2000-01

38

REVENUES

40

General Fund

(\$46,541)

(\$70,568)

42

Other Funds

(2,501)

(3,792)

44

46

The sales and use tax exemption for certain nonprofit health clinics will decrease sales and use tax collections by \$49,042 in fiscal year 1999-00 and \$74,360 in fiscal year 2000-01. The reduction of these tax collections will decrease the amounts transferred to the Local Government Fund for state-municipal revenue sharing in those years by \$2,501 and \$3,792,

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COMMITTEE AMENDMENT

R. O. S.

COMMITTEE AMENDMENT " A" to S.P. 532, L.D. 1594

2 respectively. The resulting net reductions of General Fund
revenue will be \$46,541 in fiscal year 1999-00 and \$70,568 in
fiscal year 2000-01.

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6 This estimate does not include one nonprofit health clinic
that is currently appealing a Bureau of Revenue Services'
8 decision to revoke its tax exempt status. If that appeal does
not overturn the bureau's decision, this exemption will result in
an additional unbudgeted loss of gross sales and use tax
10 collections of approximately \$121,000 annually.

12 The Bureau of Revenue Services will incur some minor
additional costs to implement this sales and use tax exemption
14 change. These costs can be absorbed within the bureau's existing
budgeted resources.'

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SUMMARY

20 This amendment extends the exemption for rural community
health centers to include all incorporated nonprofit health
22 centers. The amendment also adds a fiscal note to the bill.

COMMITTEE AMENDMENT