

# MAINE STATE LEGISLATURE

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R. of S.

L.D. 1596

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DATE: May 3, 1999 (Filing No. S- 174 )

**TAXATION**

Reported by:

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

COMMITTEE AMENDMENT " A " to S.P. 534, L.D. 1596, Bill, "An Act to Clarify the Sales Tax Exemption for Food Service in Educational Institutions"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

**Sec. 1. 36 MRSA §1760, sub-§6, ¶C**, as amended by PL 1991, c. 846, §19, is further amended to read:

C. By hospitals, schools, long-term care facilities, food contractors and restaurants to incorporated nonprofit area agencies on aging for the purpose of providing meals to the elderly; and

**Sec. 2. 36 MRSA §1760, sub-§6, ¶D**, as enacted by PL 1991, c. 846, §20, is amended to read:

D. To residents of incorporated nonprofit church-affiliated congregate housing facilities for the elderly in which at least 75% of the units are available for leasing to eligible lower-income residents; and

**Sec. 3. 36 MRSA §1760, sub-§6, ¶E** is enacted to read:

E. Served by colleges to employees of the college when the meals are purchased with debit cards issued by the colleges.'

**COMMITTEE AMENDMENT**

## COMMITTEE AMENDMENT " A" to S.P. 534, L.D. 1596

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

4 **FISCAL NOTE**

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	1999-00	2000-01
8 <b>REVENUES</b>		
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12		
General Fund	(\$6,509)	(\$9,870)
Other Funds	(350)	(530)

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16 The sales tax exemption for meals served by colleges to  
employees of the college when purchased with debit cards will  
decrease sales and use tax collections by \$6,859 in fiscal year  
18 1999-00 and \$10,400 in fiscal year 2000-01. The reduction of  
these tax collections will decrease the amounts transferred to  
20 the Local Government Fund for state-municipal revenue sharing in  
those years by \$350 and \$530, respectively. The resulting net  
22 reductions of General Fund revenue will be \$6,509 in fiscal year  
1999-00 and \$9,870 in fiscal year 2000-01.

24

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

30 **SUMMARY**

32 This amendment provides a sales tax exemption for meals  
served by colleges to employees of the college when the meals are  
34 purchased with debit cards issued by the college. It also adds a  
fiscal note to the bill.