

# 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)



# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

---

Legislative Document

No. 703

H.P. 534

House of Representatives, February 12, 2007

### An Act To Repeal the Tax on Private Nonmedical Institutions

---

Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative MILLER of Somerville.  
Cosponsored by Senator DOW of Lincoln and  
Representatives: MILLS of Farmington, PERRY of Calais, PINGREE of North Haven,  
Senator: ROSEN of Hancock.

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

2 **Sec. 1. 36 MRSA §2552, sub-§1, ¶G,** as amended by PL 2005, c. 386, Pt. S, §4  
3 and affected by §9, is repealed.

4 **Sec. 2. 36 MRSA §2557, sub-§4,** as enacted by PL 2003, c. 673, Pt. V, §25 and  
5 affected by §29, is amended to read:

6 **4. Other institutions.** Sales to incorporated private nonprofit residential child care  
7 institutions that are licensed by the Department of Health and Human Services as child  
8 care institutions and sales to private nonmedical institutions;

9 **Sec. 3. 36 MRSA §2559,** as amended by PL 2005, c. 386, Pt. S, §7 and affected  
10 by §9, is further amended to read:

11 **§2559. Application of revenues**

12 Revenues derived by the tax imposed by this chapter must be credited to a General  
13 Fund suspense account. On or before the last day of each month, the State Controller  
14 shall transfer a percentage of the revenues received by the State Tax Assessor during the  
15 preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs A  
16 to F to the Local Government Fund as provided by Title 30-A, section 5681, subsection 5.  
17 The balance remaining in the General Fund suspense account must be transferred to  
18 service provider tax General Fund revenue. On or before the 15th day of each month, the  
19 State Controller shall transfer all revenues received by the assessor during the preceding  
20 month pursuant to the tax imposed by section 2552, subsection 1, paragraphs ~~G~~ H to K to  
21 the Medical Care Services Other Special Revenue Funds account, the Other Special  
22 Revenue Funds Mental Health Services - Community Medicaid program, the Medicaid  
23 Services - Mental Retardation program and the Office of Substance Abuse - Medicaid  
24 Seed program within the Department of Health and Human Services.

25 **Sec. 4. Effective date.** This Act takes effect October 1, 2007.

26 **SUMMARY**

27 This bill repeals the 5% service provider tax imposed on private nonmedical  
28 institutions.