

# 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 electronic originals  
(may include minor formatting differences from printed original)



# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

---

Legislative Document

No. 405

H.P. 323

House of Representatives, February 8, 2011

### An Act To Clarify Charitable Status for Property Tax Exemption

---

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Clerk

Presented by Representative TILTON of Harrington.  
Cosponsored by Senator LANGLEY of Hancock and  
Representatives: BURNS of Whiting, MALABY of Hancock, PRESCOTT of Topsham,  
Senator: TRAHAN of Lincoln.

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

2 **Sec. 1. 36 MRSA §652, sub-§1, ¶A,** as amended by PL 2007, c. 627, §20, is  
3 further amended to read:

4 A. The real estate and personal property owned and occupied or used solely for their  
5 own purposes by benevolent and charitable institutions incorporated by this State are  
6 exempt from taxation. Such an institution may not be deprived of the right of  
7 exemption by reason of the source from which its funds are derived or by reason of  
8 limitation in the classes of persons for whose benefit the funds are applied.

9 For the purposes of this paragraph, "benevolent and charitable institution" means an  
10 institution that advances a charitable purpose, donates or renders gratuitously a  
11 substantial portion of its services, benefits a substantial and indefinite class of persons  
12 who are legitimate subjects of charity, relieves the government of some of its burden  
13 and operates free from private profit motive. For the purposes of this paragraph,  
14 "benevolent and charitable institutions" includes, but is not limited to, nonprofit  
15 nursing homes licensed by the Department of Health and Human Services pursuant to  
16 Title 22, chapter 405, nonprofit residential care facilities licensed by the Department  
17 of Health and Human Services pursuant to Title 22, chapter 1663, nonprofit  
18 community mental health service facilities licensed by the Commissioner of Health  
19 and Human Services pursuant to Title 34-B, chapter 3 and nonprofit child care  
20 centers incorporated by this State as benevolent and charitable institutions. For the  
21 purposes of this paragraph, "nonprofit" refers to an institution that has been  
22 determined by the United States Internal Revenue Service to be exempt from taxation  
23 under Section 501(c)(3) of the Code.

24 **SUMMARY**

25 This bill provides standards for determining which institutions qualify for a property  
26 tax exemption as a benevolent and charitable institution.