

# MAINE STATE LEGISLATURE

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# 127th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2015

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Legislative Document

No. 502

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H.P. 341

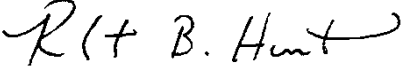
House of Representatives, February 24, 2015

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**An Act To Repeal the Service Provider Tax on Private Nonmedical  
Institutions and To Offset That Revenue Loss**

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Reference to the Committee on Taxation suggested and ordered printed.

  
ROBERT B. HUNT  
Clerk

Presented by Representative MAREAN of Hollis.  
Cosponsored by Senator McCORMICK of Kennebec and  
Representatives: GOODE of Bangor, GRANT of Gardiner, MAKER of Calais, POULIOT of  
Augusta, SANDERSON of Chelsea, SEAVEY of Kennebunkport, Senators: DIAMOND of  
Cumberland, LIBBY of Androscoggin.

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 2013, c. 331, Pt. C,  
3 §14, is further amended to read:

4 G. ~~Private nonmedical institution or personal~~ Personal home care services;

5 **Sec. 2. 36 MRSA §2552, sub-§1, ¶L,** as amended by PL 2013, c. 368, Pt.  
6 OOOO, §3, is further amended to read:

7 L. Ancillary services; ~~and~~

8 **Sec. 3. 36 MRSA §2552, sub-§1, ¶M,** as enacted by PL 2013, c. 368, Pt. OOOO,  
9 §4, is amended to read:

10 M. Group residential services for persons with brain injuries;

11 **Sec. 4. 36 MRSA §2552, sub-§1, ¶¶N and O** are enacted to read:

12 N. Motion picture entertainment at locations where the primary activity is the  
13 showing of motion pictures; and

14 O. Skiing, snowboarding and similar winter sports activities at locations where the  
15 primary activity is engagement in winter sports.

16 **Sec. 5. 36 MRSA §2559,** as amended by PL 2011, c. 542, Pt. A, §141, is further  
17 amended to read:

18 **§2559. Application of revenues**

19 Revenues derived by the tax imposed by this chapter must be credited to a General  
20 Fund suspense account. On or before the last day of each month, the State Controller  
21 shall transfer a percentage of the revenues received by the State Tax Assessor during the  
22 preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs A  
23 to F and L to the Local Government Fund as provided by Title 30-A, section 5681,  
24 subsection 5. The balance remaining in the General Fund suspense account must be  
25 transferred to service provider tax General Fund revenue. On or before the 15th day of  
26 each month, the State Controller shall transfer all revenues received by the assessor  
27 during the preceding month pursuant to the tax imposed by section 2552, subsection 1,  
28 paragraphs G to J and M to the Medical Care Services Other Special Revenue Funds  
29 account, the Other Special Revenue Funds Mental Health Services - Community  
30 Medicaid program, the Medicaid Services - Adult Developmental Services program and  
31 the Office of Substance Abuse - Medicaid Seed program within the Department of Health  
32 and Human Services. On or before the 15th day of each month, the State Controller shall  
33 transfer all revenues received by the assessor during the preceding month pursuant to the  
34 tax imposed by section 2552, subsection 1, paragraphs N and O to the Medical Care  
35 Services Other Special Revenue Funds account.

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## SUMMARY

This bill repeals the service provider tax on private nonmedical institutions and expands the tax to cover motion picture entertainment and certain winter sports. The revenue from the newly covered services is dedicated to fund medical services eligible for matching federal Medicaid funding currently funded by revenue from the tax on private nonmedical institutions. The bill also corrects an oversight by identifying the application of revenue from the service provider tax on group residential services for persons with brain injuries.