## MAINE STATE LEGISLATURE

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## 130th MAINE LEGISLATURE

## **FIRST SPECIAL SESSION-2021**

**Legislative Document** 

No. 1732

H.P. 1283

House of Representatives, June 2, 2021

An Act To Amend the Sales Tax Exemption for Nonprofit Housing Development Organizations

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Taxation suggested and ordered printed.

ROBERT B. HUNT

R(+ B. Hunt

Clerk

Presented by Representative GERE of Kennebunkport.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not 2 become effective until 90 days after adjournment unless enacted as emergencies; and 3 Whereas, this Act clarifies the applicability of a sales tax exemption to sales to 4 nonprofit organizations; and 5 Whereas, immediate action is necessary to ensure the efficient administration of state tax laws; and 6 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as 8 immediately necessary for the preservation of the public peace, health and safety; now, 9 therefore, 10 11 Be it enacted by the People of the State of Maine as follows: 12 Sec. 1. 36 MRSA §1760, sub-§72, as amended by PL 1999, c. 708, §30, is further 13 amended to read: 14 72. Nonprofit housing development organization. Sales to nonprofit organizations whose primary purpose is to develop housing for low-income people. For the purposes of 15 this subsection, "low-income" means having income that is less than 120% of the median 16 income for the area, adjusted for family size, as established by the United States 17 Department of Housing and Urban Development or its successor organization. 18 19 **Emergency clause.** In view of the emergency cited in the preamble, this legislation 20 takes effect when approved. **SUMMARY** 21 22 This bill clarifies that the sales tax exemption for sales to nonprofit housing 23 development organizations applies only to nonprofit organizations developing housing for 24 people earning less than 120% of the median income for the area, adjusted for family size.