

130th MAINE LEGISLATURE

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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.

R(+ B. Hunt

ROBERT 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 6 tax laws; and

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
immediately necessary for the preservation of the public peace, health and safety; now,
therefore,

- 11 Be it enacted by the People of the State of Maine as follows:
- Sec. 1. 36 MRSA §1760, sub-§72, as amended by PL 1999, c. 708, §30, is further
 amended to read:

72. Nonprofit housing development organization. Sales to nonprofit organizations
 whose primary purpose is to develop housing for low-income people. For the purposes of
 this subsection, "low-income" means having income that is less than 120% of the median
 income for the area, adjusted for family size, as established by the United States
 Department of Housing and Urban Development or its successor organization.

Emergency clause. In view of the emergency cited in the preamble, this legislation
 takes effect when approved.

21 SUMMARY

This bill clarifies that the sales tax exemption for sales to nonprofit housing development organizations applies only to nonprofit organizations developing housing for people earning less than 120% of the median income for the area, adjusted for family size.