

## **129th MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2019

**Legislative Document** 

No. 465

H.P. 349

House of Representatives, January 29, 2019

## An Act To Eliminate the Service Provider Tax on Services Covered by Medicaid

Reference to the Committee on Taxation suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative STEWART of Presque Isle. Cosponsored by Senator DOW of Lincoln and Representatives: BICKFORD of Auburn, CURTIS of Madison, KRYZAK of Acton, SWALLOW of Houlton, Senators: POULIOT of Kennebec, TIMBERLAKE of Androscoggin.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 36 MRSA §2551, sub-§1-A, as amended by PL 2007, c. 539, Pt. DDD, §1, is repealed.
4 5	<b>Sec. 2. 36 MRSA §2551, sub-§1-B,</b> as amended by PL 2011, c. 542, Pt. A, §136, is repealed.
6 7	<b>Sec. 3. 36 MRSA §2551, sub-§1-H,</b> as enacted by PL 2013, c. 368, Pt. OOOO, §1, is repealed.
8 9	<b>Sec. 4. 36 MRSA §2551, sub-§7-B,</b> as amended by PL 2011, c. 542, Pt. A, §138, is repealed.
10 11	<b>Sec. 5. 36 MRSA §2551, sub-§10,</b> as amended by PL 2015, c. 300, Pt. A, §30, is repealed.
12 13	Sec. 6. 36 MRSA §2551, sub-§11, as corrected by RR 2015, c. 2, §24, is repealed.
14 15	<b>Sec. 7. 36 MRSA §2552, sub-§1, </b> ¶ <b>F,</b> as amended by PL 2005, c. 12, Pt. VV, §2, is further amended to read:
16	F. The installation, maintenance or repair of telecommunications equipment; and
17 18	<b>Sec. 8. 36 MRSA §2552, sub-§1, ¶G,</b> as amended by PL 2015, c. 300, Pt. A, §32, is repealed.
19 20	<b>Sec. 9. 36 MRSA §2552, sub-§1, ¶H,</b> as amended by PL 2007, c. 539, Pt. DDD, §5, is repealed.
21 22	<b>Sec. 10. 36 MRSA §2552, sub-§1, ¶I,</b> as amended by PL 2011, c. 542, Pt. A, §139, is repealed.
23 24	Sec. 11. 36 MRSA §2552, sub-§1, ¶J, as amended by PL 2013, c. 368, Pt. OOOO, §2, is repealed.
25 26	<b>Sec. 12. 36 MRSA §2552, sub-§1, ¶L,</b> as amended by PL 2013, c. 368, Pt. OOOO, §3, is further amended to read:
27	L. Ancillary services <del>; and</del> .
28 29	Sec. 13. 36 MRSA §2552, sub-§1, ¶M, as enacted by PL 2013, c. 368, Pt. OOOO, §4, is repealed.
30 31	Sec. 14. 36 MRSA §2559, as amended by PL 2015, c. 300, Pt. A, §35, is further amended to read:

## 1 §2559. Application of revenues

Revenues derived by the tax imposed by this chapter must be credited to a General 2 Fund suspense account. On or before the last day of each month, the State Controller 3 4 shall transfer a percentage of the revenues received by the State Tax Assessor during the preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs A 5 to F and L to the Local Government Fund as provided by Title 30-A, section 5681, 6 subsection 5. The balance remaining in the General Fund suspense account must be 7 transferred to service provider tax General Fund revenue. On or before the 15th day of 8 9 each month, the State Controller shall transfer all revenues received by the assessor during the preceding month pursuant to the tax imposed by section 2552, subsection 1, 10 paragraphs G to J and M to the Medical Care Services Other Special Revenue Funds 11 account, the Other Special Revenue Funds Mental Health Services - Community 12 Medicaid program, the Medicaid Services - Adult Developmental Services program and 13 the Office of Substance Abuse - Medicaid Seed program within the Department of Health 14 and Human Services. 15

Sec. 15. Application. This Act applies to services provided on or after January 1,
2020.

18 SUMMARY

19 This bill repeals portions of the service provider tax that apply to services that are 20 covered by the federal Medicaid program.