

## PART AA

**Sec. AA-1. Nonprofit Tax Review Task Force established.** The Commissioner of Administrative and Financial Services or the commissioner's designee shall establish the Nonprofit Tax Review Task Force, referred to in this 1 Part as "the task force."

**Sec. AA-2. Task force membership.** Notwithstanding Joint Rule 353, the task force consists of the following 9 members:

1. The Commissioner of Administrative and Financial Services or the commissioner's designee, who serves as chair of the task force;
2. Two members of the Joint Standing Committee on Appropriations and Financial Affairs appointed by the committee chairs;
3. Two members of the Joint Standing Committee on Taxation appointed by the committee chairs; and
4. Four members representing interested parties, including a representative of the Maine Association of Nonprofits, a representative of the Maine Municipal Association and 2 representatives of other interested parties appointed by the Governor from a list of names suggested by the Speaker of the House of Representatives and the President of the Senate.

**Sec. AA-3. Convening of the task force.** The task force shall convene no later than September 1, 2013.

**Sec. AA-4. Duties.** The task force shall evaluate the feasibility and desirability of identifying parameters and a process for imposing a temporary assessment on certain nonprofit organizations that will generate approximately \$100,000,000 in revenue annually. The task force shall consider how other cities and states treat nonprofit organizations for purposes of service charges, payments in lieu of taxes and property taxes. The task force shall prepare a report that must include recommendations, including the following:

1. An identification of certain nonprofit organizations on which the assessment will be imposed;
2. A value basis for the assessment that includes all land, buildings and equipment held by certain nonprofit organizations;
3. A method for calculating the amount of the assessment to be imposed on certain nonprofit organizations that includes a mechanism to provide adjustments for nonprofit organizations with fixed assets that are disproportionate to the size of the nonprofit organization's operating budget;
4. A method for crediting against the temporary assessment any payment in lieu of taxes that is being paid by a nonprofit organization; and
5. A process to transfer the assessment revenue to municipalities.

**Sec. AA-5. Staff assistance.** The Department of Administrative and Financial Services shall provide staffing services to the task force.

**Sec. AA-6. Legislation.** The Commissioner of Administrative and Financial Services shall submit the task force's report, including any necessary implementing legislation, to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Taxation no later than December 1, 1 2013. The Joint Standing Committee on Appropriations and Financial Affairs may submit a bill related to the report to the Second Regular Session of the 126th Legislature.