

**CHAPTER 377**

**HOSPITAL TAX**

**§2891. Definitions**

**(REPEALED)**

**SECTION HISTORY**

RR 2003, c. 2, §116 (COR). PL 2003, c. 513, §H1 (NEW). PL 2003, c. 688, §L1 (AMD). PL 2003, c. 688, §L2 (AFF). PL 2003, c. 689, §B6 (REV). PL 2005, c. 12, §ZZ1 (AMD). PL 2007, c. 438, §61 (AMD). PL 2007, c. 545, §§4, 5 (AMD). PL 2021, c. 253, Pt. B, §5 (AMD). PL 2023, c. 643, Pt. JJ, §1 (AMD). PL 2025, c. 2, Pt. II, §1 (RP).

**§2891-A. Definitions**

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2025, c. 2, Pt. II, §2 (NEW).]

**1. Acute care hospital.** "Acute care hospital" means an institution licensed as an acute care hospital by the department pursuant to Title 22, chapter 405 that is primarily engaged in providing, by or under the supervision of physicians, inpatient diagnostic and therapeutic services or rehabilitation services. "Acute care hospital" includes an acute care hospital that provides organ transplant services. [PL 2025, c. 2, Pt. II, §2 (NEW).]

**2. Critical access hospital.** "Critical access hospital" means an institution licensed as a critical access hospital by the department pursuant to Title 22, chapter 405 that is a rural hospital consisting of no more than 25 acute or skilled nursing care beds that may be used for either acute inpatient or skilled nursing care. [PL 2025, c. 2, Pt. II, §2 (NEW).]

**3. Department.** "Department" means the Department of Health and Human Services. [PL 2025, c. 2, Pt. II, §2 (NEW).]

**4. Hospital.** "Hospital" means an acute care health care facility with permanent inpatient beds planned, organized, operated and maintained to offer for a continuing period of time facilities and services for the diagnosis and treatment of illness, injury and deformity; with a governing board and an organized medical staff offering continuous 24-hour professional nursing care; with a plan to provide emergency treatment 24 hours a day and including other services as defined in rules of the department relating to licensure of acute care hospitals, critical access hospitals, psychiatric hospitals and rehabilitation hospitals; and that is licensed under Title 22, chapter 405.

For purposes of this chapter, "hospital" does not include a nursing home or, for state fiscal years beginning on or after July 1, 2008, municipally funded hospitals, or, beginning January 1, 2025, critical access hospitals.

[PL 2025, c. 2, Pt. II, §2 (NEW).]

**5. Municipally funded hospital.** "Municipally funded hospital" means Cary Medical Center in Caribou.

[PL 2025, c. 2, Pt. II, §2 (NEW).]

**6. Net operating revenue.** "Net operating revenue" means gross charges of facilities less any deducted amounts for charity care and payer discounts.

[PL 2025, c. 2, Pt. II, §2 (NEW).]

**7. Psychiatric hospital.** "Psychiatric hospital" means an institution licensed as a psychiatric hospital by the department pursuant to Title 22, chapter 405 that is a specialized hospital that provides inpatient and outpatient services for individuals with mental illness. [PL 2025, c. 2, Pt. II, §2 (NEW).]

**8. Rehabilitation hospital.** "Rehabilitation hospital" means an institution licensed as a rehabilitation hospital by the department pursuant to Title 22, chapter 405 that provides essential therapy and coordinated care that assist patients in recovering from serious disabling illness or injury. [PL 2025, c. 2, Pt. II, §2 (NEW).]

#### SECTION HISTORY

PL 2025, c. 2, Pt. II, §2 (NEW).

#### §2892. Tax imposed

(CONTAINS TEXT WITH VARYING EFFECTIVE DATES)

(FUTURE CONTINGENT TERMINATION: See PL 2003, c. 673, Pt. HH, §§6, 7)

For the state fiscal year beginning on July 1, 2003, a tax is imposed against each hospital in the State. The tax is equal to .74% of net operating revenue for the tax year as identified on the hospital's most recent audited annual financial statement for that tax year. Delinquent tax payments are subject to Title 22, section 3175-C. [PL 2003, c. 673, Pt. HH, §3 (AMD).]

For state fiscal years beginning on or after July 1, 2004, a tax is imposed annually against each hospital in the State. The tax is equal to 2.23% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's taxable year. Beginning January 1, 2025, the tax for acute care hospitals, psychiatric hospitals except for the Riverview Psychiatric Center and the Dorothea Dix Psychiatric Center and rehabilitation hospitals is equal to 3.25% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's fiscal year that ended during calendar year 2022. Beginning January 1, 2025, the tax does not apply to critical access hospitals. For the state fiscal year beginning July 1, 2004, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2002. For the state fiscal year beginning July 1, 2005, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2003. For state fiscal years beginning on or after July 1, 2006 but before July 1, 2008, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2004. [PL 2025, c. 388, Pt. II, §1 (AMD); PL 2025, c. 388, Pt. II, §6 (AFF).]

For state fiscal years beginning on or after July 1, 2008 but before July 1, 2010, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2006. [PL 2019, c. 343, Pt. EEE, §1 (AMD).]

For state fiscal years beginning on or after July 1, 2010 but before July 1, 2013, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2008. [PL 2019, c. 343, Pt. EEE, §1 (AMD).]

For state fiscal years beginning on or after July 1, 2013 but before July 1, 2017, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2012. [PL 2019, c. 343, Pt. EEE, §1 (AMD).]

For state fiscal years beginning on or after July 1, 2017 but before July 1, 2019, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2014. [PL 2019, c. 343, Pt. EEE, §1 (AMD).]

For state fiscal years beginning on or after July 1, 2019 but before July 1, 2021, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2016. [PL 2021, c. 29, Pt. M, §1 (AMD).]

For state fiscal years beginning on or after July 1, 2021 but before July 1, 2024, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2018. [PL 2023, c. 412, Pt. YY, §1 (AMD).]

For the state fiscal year beginning on July 1, 2024, the hospital's taxable year is as required in section 2893, subsection 2-A. [PL 2023, c. 643, Pt. JJ, §3 (AMD).]

For state fiscal years beginning on or after July 1, 2025, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2022. [PL 2023, c. 643, Pt. JJ, §4 (NEW).]

## SECTION HISTORY

PL 2003, c. 513, §H1 (NEW). PL 2003, c. 673, §HH3 (AMD). PL 2003, c. 673, §§HH6,7 (AFF). PL 2005, c. 12, §ZZ2 (AMD). PL 2007, c. 545, §6 (AMD). PL 2009, c. 571, Pt. AAA, §1 (AMD). PL 2013, c. 368, Pt. QQ, §1 (AMD). PL 2017, c. 284, Pt. IIII, §1 (AMD). PL 2019, c. 343, Pt. EEE, §1 (AMD). PL 2019, c. 616, Pt. Y, §1 (AMD). PL 2021, c. 29, Pt. M, §§1, 2 (AMD). PL 2023, c. 412, Pt. YY, §§1, 2 (AMD). PL 2023, c. 643, Pt. JJ, §§2-4 (AMD). PL 2025, c. 2, Pt. II, §3 (AMD). PL 2025, c. 388, Pt. II, §1 (AMD). PL 2025, c. 388, Pt. II, §6 (AFF).

### §2893. Return and payment of tax; application of revenues

**1. Return required in state fiscal year 2003-04.** For the tax due for state fiscal year 2003-04, a person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the assessor and pay the tax by the 30th day following the effective date of this section.

[PL 2003, c. 513, Pt. H, §1 (NEW).]

**2. Return required in state fiscal years beginning on or after July 1, 2004.** For tax due for state fiscal years beginning on or after July 1, 2004, a person subject to the tax imposed by section 2892 shall submit to the assessor a return on a form prescribed and furnished by the assessor and pay one half of the total tax due by November 15th of the state fiscal year for which the tax is being imposed and one half of the total tax due by May 15th of the state fiscal year for which the tax is being imposed. [PL 2009, c. 571, Pt. VV, §1 (AMD).]

**2-A. Return required in state fiscal year beginning July 1, 2024.** For tax due for the state fiscal year beginning July 1, 2024, a person subject to the tax imposed by section 2892 shall submit to the assessor a return on a form prescribed by the assessor and pay:

A. An amount equal to 2.23% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's fiscal year that ended during calendar year 2020 multiplied by one-half on or before November 15, 2024; [PL 2023, c. 643, Pt. JJ, §5 (NEW).]

B. For an acute care hospital or a rehabilitation hospital, an amount equal to 3.25% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's fiscal year that ended during calendar year 2022 multiplied by one-half on or before May 15, 2025; and [PL 2025, c. 2, Pt. II, §4 (AMD).]

C. For a facility licensed as a psychiatric hospital by the Department of Health and Human Services pursuant to Title 22, section 1817, except the Riverview Psychiatric Center and the Dorothea Dix Psychiatric Center, an amount equal to 3.25% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's fiscal year that ended during calendar year 2022 multiplied by one-half. [PL 2025, c. 388, Pt. II, §2 (AMD); PL 2025, c. 388, Pt. II, §6 (AFF).]

[PL 2025, c. 388, Pt. II, §2 (AMD); PL 2025, c. 388, Pt. II, §6 (AFF).]

**3. Application of revenues.** All revenues received in each fiscal year that result from the tax pursuant to this chapter from hospitals net of refunds must be credited to the Medical Care - Payments

to Providers Other Special Revenue Funds account in the Department of Health and Human Services to be used for MaineCare hospital payments.

[PL 2023, c. 643, Pt. JJ, §6 (RPR).]

#### SECTION HISTORY

PL 2003, c. 513, §H1 (NEW). PL 2003, c. 673, §HH4 (AMD). PL 2007, c. 438, §62 (AMD). PL 2009, c. 571, Pt. VV, §§1, 2 (AMD). PL 2023, c. 643, Pt. JJ, §§5, 6 (AMD). PL 2025, c. 2, Pt. II, §4 (AMD). PL 2025, c. 388, Pt. II, §2 (AMD). PL 2025, c. 388, Pt. II, §6 (AFF).

#### §2894. Hospital assessment

For state fiscal year 2010-11, an assessment is imposed against each hospital in the State. The assessment is equal to 0.12% of net operating revenue as identified on the hospital's most recent audited financial statement for the hospital's fiscal year that ended during calendar year 2008. [PL 2009, c. 571, Pt. VV, §3 (NEW).]

#### SECTION HISTORY

PL 2009, c. 571, Pt. VV, §3 (NEW).

#### §2895. Return and payment of assessment; application of revenues

**1. Return required.** A person subject to the assessment imposed under section 2894 shall submit to the assessor a return on a form prescribed and furnished by the assessor. The assessment is payable in 2 payments. The first payment is due by September 30, 2010. The 2nd payment is due by March 30, 2011.

[PL 2009, c. 571, Pt. VV, §4 (NEW).]

**2. Application of revenues.** All revenues received by the assessor under section 2894 must be credited to the General Fund.

[PL 2009, c. 571, Pt. VV, §4 (NEW).]

#### SECTION HISTORY

PL 2009, c. 571, Pt. VV, §4 (NEW).

#### §2896. Hospital assessment; 2012-2013

**1. Assessment.** For state fiscal year 2012-13, an assessment is imposed against each hospital in the State. The assessment is equal to 0.39% of net operating revenue as identified on the hospital's most recent audited financial statement for the hospital's fiscal year that ended during calendar year 2008.

[PL 2011, c. 477, Pt. II, §1 (NEW).]

**2. Return required.** A person subject to the assessment imposed under this section shall submit to the assessor a return on a form prescribed and furnished by the assessor. The assessment is payable in 2 payments. The first payment is due by September 30, 2012. The 2nd payment is due by March 30, 2013.

[PL 2011, c. 477, Pt. II, §1 (NEW).]

**3. Application of revenues.** All revenues received by the assessor under subsection 1 must be credited to the General Fund.

[PL 2011, c. 477, Pt. II, §1 (NEW).]

#### SECTION HISTORY

PL 2011, c. 477, Pt. II, §1 (NEW).

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