

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Limit the Liability of Organized Clubs

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 14 MRSA §158-A, sub-§1, ¶A, as amended by PL 1991, c. 795, §1, is further amended to read:

A. "Charitable organization" means any nonprofit organization organized or incorporated in this State or having a principal place of business in this State:

(1) That is exempt from federal income taxation under the United States Internal Revenue Code, Section 501(a), because it is described in Section 501(c)(3), (4), (6) as it pertains to chambers of commerce only, (7), (10), (13) or (14)(A), including all subsequent amendments to those paragraphs. An organization is included in this subparagraph if it would be exempt from taxation under Section 501(c)(3) but for its engaging in attempting to influence legislation to the extent that it is disqualified from tax exemption under Section 501(c)(3); or

(2) That is:

(a) Organized under the Maine Nonprofit Corporation Act for any of the purposes listed in Title 13-B, section 201, subsection 1, paragraph A;

(b) Organized under the provisions set forth in Title 13-B, section 201, subsection 2, paragraph A;

(c) Organized under the provisions of Title 13-B, section 201, subsection 3, paragraph D or E;

(d) Organized in Maine as a nonprofit corporation before January 1, 1978, for any of the purposes listed in Title 13-B, section 201, subsection 1, paragraph A, and to which the Maine Nonprofit Corporation Act applies; or

(e) Organized as a rural electrification cooperative under the provisions of Title 35-A, chapter 37.

This subparagraph applies to all subsequent amendments to the statutes covered by divisions (a), (b), (c), (d) and (e).

SUMMARY

This bill amends the definition of "charitable organization," to which immunity from civil liability applies, to include nonprofit organizations that qualify as charitable organizations under Section 501(c)(7), which applies to social and recreational clubs, of the United States Internal Revenue Code.