

linda caprara
Maine State Chamber of Commerce

Good afternoon Sen. Chipman, Rep. Terry and members of the Taxation Committee. My name is Linda Caprara I am a resident of Winthrop and I represent the Maine State Chamber of Commerce.

We are testifying in opposition to L.D. 1524, “An Act to Amend the Maine Exclusion Amount in the Estate Tax. We oppose L.D. 1524 bill because it lowers the exemption amount of a Maine estate that is exempt under Maine’s estate tax from \$5.6 million to \$2 million with the exception for fishing, farming, wood harvesting and aquaculture for which the rate is lowered to \$3.8 million.

The Maine State Chamber of Commerce has always been on record for increasing the estate tax exemption amount or eliminating the estate tax altogether. We feel that the estate tax hurts Maine businesses, particularly smaller businesses and farms, who work very hard to pass long assets to their children and grandchildren. This would take away that opportunity and instead slaps them with a massive death tax. If they can’t pay the taxes due up front they may be forced to deplete any working capital they have in the business or sell assets or property to pay the tax. Ultimately, it punishes and penalizes success.

The Legislature took significant steps back in 2015 as part of tax reform to increase the exemption amount in recognition of the penalizing estate tax.

We also feel that increasing the estate tax would encourage retirees to leave the state, taking their assets and domiciles out of Maine permanently.

For these reasons, we urge you to vote No on L.D.1524.