



**RETAIL
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MAINE**
Voice of Maine Retail

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March 9, 2021

Senator Ben Chipman, Chair
Representative Maureen Terry, Chair
Members of the Taxation Committee

RE: Testimony in OPPOSITION to LD 498, An Act To Reauthorize a 3 Percent Tax on Income over \$200,000 To Lift All Maine Workers out of Poverty

Dear Senator Chipman, Representative Terry and members of the Taxation Committee:

My name is Curtis Picard and I am the President and CEO of the Retail Association of Maine. I am a resident of Topsham. We have more than 350 members statewide and represent retailers of all sizes. I am here today to testify in opposition to LD 498.

LD 498 would increase the top individual income tax rate from 7.15% to 10.15%, a 40% increase. It would move our ranking nationally from 22nd highest to 4th highest. Given that one of the primary goals of Maine's 10-year Economic Development Strategy is to attract 75,000 new workers and to increase wages by 10%, raising individual taxes is the wrong way to achieve that goal. It is important to note that many Maine small businesses use the individual income taxes to file for their business as S Corps. LD 498 is a small business tax coming at the worst possible time.

Given our current pandemic and businesses of all shapes and sizes needing time to recover, now is not the time to be raising taxes. Please vote LD 498 Ought Not to Pass.

Thank you for the consideration of our comments.

Sincerely,

Curtis Picard, CAE
President and CEO