

Good Morning Sen. Chipman, Rep. Terry and Members of the Joint Standing Committee on Taxation. My name is Linda Caprara and I am a resident of Winthrop. I represent the Maine State Chamber of Commerce and we are testifying in opposition to L.D. 1337, An Act to Increase Affordable Housing and Reduce Property Taxes through an Impact Fee on Vacant Residences.”

This bill would impose a vacancy impact fee .5% of the equalized assessed value on residential property that is vacant. Let’s be honest, this is nothing more than an additional tier of property taxes on second homeowners. Homeowners that own second homes already pay property taxes on these properties and they also pay taxes if they rent out the homes. Mainers pride themselves on owning second homes whether it be a camp in the woods for hunting for fishing or a home on the coast to enjoy the sea. They may only use their camps a couple times a year. This will also penalize folks from away who own second homes in Maine. These folks are vital to our tourism industry in Maine and contribute to our State’s economy and our local economies and communities. This bill is simply a disincentive to owning a second home in Maine.

The bill attempts to make exceptions for carve outs and properties that are not habitable for at least three months such as seasonal camps etc. What is the definition of habitable? Who makes that determination? Many camps have been upgraded with heat, water and amenities which make them more habitable. So, in summary if you don’t occupy the home for at least 180 days and you can’t prove it is not habitable for 3 months you will have to pay the fee.

This is simply another layer of property taxation homeowners don’t deserve. We urge the Committee to vote no on L.D. 1337.