



Testimony of the Maine Municipal Association (MMA)

In Opposition to
LD 629, An Act to Improve, Protect and Defend the Individual Civil Right to Bear Arms
Through Exemption of Firearms and Ammunition from Taxation

March 9, 2023

Senator Grohoski, Representative Perry, and members of the Taxation Committee. My name is Kate Dufour, and I am offering testimony in opposition to LD 629 on behalf of the 70 municipal leaders who were elected by their peers to serve on the Association's Legislative Policy Committee and directed to establish MMA's position on bills of municipal interest.

Municipal officials are confused as to the intent of the legislation, and without additional information can only conclude that the sponsors of the bill are seeking an exemption from the individual personal property tax that is very limitedly assessed, if at all, on firearms and ammunition. If that is the case, the changes proposed in LD 629 might not be necessary.

As provided for in 36 MRS § 655 sub-§1(P), generally, the first \$1,000 of individually owned personal property is exempted from taxation. With respect to the inventory held by a related retail establishment, 36 MRS § 655 sub-§1(B) already extends an exemption on stock-in-trade, which includes "inventory held for resale by a distributor, wholesaler, retail merchant or service establishment."

Additionally, municipalities cannot create local taxes. That is an authority reserved for the state and bestowed upon local government via legislative action. The broad preemption of local rules relating to firearms (25 MRS § 2011) also prohibits the assessment of any potential municipal fee.

If the Committee elects to move forward, at the very least, LD 629 should be amended to add firearms and ammunition to the list of personal property exempt from taxation and include a fiscal note to reimburse municipalities for 50% of the lost property tax revenue pursuant to Article IV, Part Third, Section 23 of Maine's Constitution.

Thank you for considering the municipal perspective on this issue. If you have any questions about our position, please contact me at kdufour@memun.org or 592-4038.