

Senator Grohoski, Representative Perry, and honorable members of the Joint Standing Committee on Taxation: my name is Patricia Kidder and I am a resident of Springvale, part of the city of Sanford. I am here today to testify in favor of LD 1544: An Act to Improve Economic Security for Maine Children by Establishing the Maine Dependent Tax Credit.

I have been preparing income tax returns professionally for 44 years and many of my clients are working families who's income qualifies them for the child tax credit but after the standard deduction and exemptions, they have no taxable income and therefore, no tax and no child tax credit unless it is made "fully refundable".

I have seen the joy when I have been able to tell my client how much they are getting for a refund and they tell me what big ticket item they are finally going to be able to buy. Sometimes it's a used washer and dryer or a new laptop or TV. They would tell me how they could finally buy that new mattress or recliner. One family told me their kitchen table and chairs just couldn't be repaired any more and their refund was just enough for the new table and chairs at the local furniture store.

And I have seen their disappointment when they really need the money but the tax credit is non-refundable so the money they thought they would get has disappeared into thin air. They tell me about a financial need that just a few hundred dollars would satisfy but without it, they don't know what they will do.

When we give refundable tax credits to low income families, they spend the money in their communities. It helps local economies that are still struggling to recover after the pandemic. It allows low income families to buy the things that

most of us take for granted, like fixing our car or replacing clothes that have worn out or no longer fit.

Raising the (Dependent and) Child Tax Credit and making it “Fully Refundable” is a proven policy that targets the families who need it the most. We know that the money spent to do this will return to our state 10 times over. It really does make a big difference in children’s lives, it benefits the entire community and state and it is the right thing to do. I urge you to please vote “Ought to Pass” on LD: 1544 and thank you for your time.

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