

My name is Sheri Blackstone, and I am a lifelong Maine resident, and small business owner in Harpswell, Maine. I am writing to oppose LD 1298, 'An Act to Allow a Local Option Sales Tax on Short-Term Lodging to Fund Affordable Housing'.

I understand that this new tax revenue would be used for affordable housing, which is needed in many areas of the state. The funding for affordable housing should not come from Maine's small tourism business owners, or personal home owners who choose to rent out their homes. Many of which opt to rent out their home in order to assist in paying for their already high property taxes to their town/municipality. This was noted in much of the testimony on LD 1893, the previous lodging tax increase bill.

Allowing a community to impose an additional tax singling out certain sectors of the lodging industry is extremely unfair, and will hurt the small businesses and individuals throughout our state. The vacation industry has been a long-standing practice that goes back many, many years in our state. This LD is a continued attack on vacation rentals, blaming them for affordable housing issues. Most vacation rentals are deemed to be located in areas where there just isn't affordable housing options. Individuals moving to Maine and purchasing "affordable" properties the last few years have created the impact on affordable housing in Maine, not vacation rentals. The practice of Maine citizens renting out their homes is their business, and should not be punished for choosing to responsibly rent their homes. Management companies, bring in travelers who contribute immensely with their spending in each community and our state as a whole. They support our state economy in ways our residents are not able to. Travelers are already charged the 9% lodging tax, which brings in over One-Billion tax dollars to the State of Maine annually. Perhaps the state could consider a bill for sharing a percent of the 9% revenue paid for each short-term lodging, and distribute it evenly to each municipality for their affordable housing accounts, if that is the state's ultimate goal.

Please exercise caution and vote "ought not pass". This bill, LD 1298 will hurt a massive amount of small businesses in our great State, many of which

are the backbone of countless communities. It's important to understand the economic value in which this well over 100-year-old industry of vacation rentals already provides our state. The tourism business supports the livelihood of over 150,000 of our state residents annually. Increasing taxes on small business owners will in turn, have a negative impact on our state economy.

Again, I'm submitting my written testimony to highly oppose LD 1298. My opposition is based on the unfairness of singling out any certain sectors of the lodging industry which would potentially subject small business owners and individuals to an additional unnecessary tax. Please, use discretion, and vote "ought not pass" -- take a minute to remember why you love our state, and if you weren't born here, recall why you moved here.

Thank you for your time and consideration--I would at any time be happy to answer any questions that our Legislator's or Senate may have.

With Respect,

Sheri Blackstone

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