Adele and Rudy Abolafia Bar Harbor LD 746

We are in support of LD746-An Act to Authorize a Local Option Sales Tax on Short -Term Lodging to Fund Municipalities and Affordable Housing. The tax revenue generated by Bar Harbor residents (5,000+) can no longer support the increased growth of tourism in Bar Harbor and is unsustainable. Residents have recently endured very high real estate tax increases. Many are on a fixed income or are low and middle income residents. Residents can no longer pay higher taxes going forward. It is unrealistic to expect homeowners to continue subsidizing the tourist industry through increased taxation. Bar Harbor has a reduced availability of real tax revenue because of non-taxable land; Acadia National Park, Jackson Lab, MDI Biological, MDI Hospital, College of the Atlantic, Churches, Schools, etc, causing a greater burden on residents.

Bill LD746 is a reasonable solution to help defer costs associated with tourism. Revenue collected can be used for infrastructure, essential services, housing and community programs. Another benefit of this bill will help create much needed affordable housing options throughout Maine by giving 10% of the collected revenue to the Maine State Housing Authority.

An argument has been made that a 2% tax could deter visitors from visiting Maine and coming to Bar Harbor. A person or family who could afford a \$250+ hotel room can afford a fee of \$5.00. This fee will not impact their decision to visit Maine. Please support LD746.

Thank you.