

Heather Allen  
43 Upper Spruce Shore Road  
Harpwell, Maine 04079  
207-751-6072  
[hallen@mainerentals.com](mailto:hallen@mainerentals.com)

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To: Members of the Joint Standing Committee on Taxation

**LD 746, An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing**

I live in Harpswell. I own and operate a small family business. I am also one of the founding members of the Vacation Rental Professionals of Maine and have previously served on the Board of Directors. I care about Maine, our tourism industry, and being able to live and work in Maine.

I am writing to oppose LD 746. My small family business, Your Island Connection, LLC, has been offering private family homes for weekly rentals for the past 43 years! What is happening to our industry is now complicated because of COVID-19 and record numbers of people moving to Maine. Yes, people have loved working from home and getting out of the big cities. But that is not the fault of vacation rentals and we should not be the scapegoat for it. Tourism lodging brought in over \$1 Billion in lodging/sales tax in 2022 (according to the Maine Office of Tourism). The tax rate of 9% is competitive with other New England States. Guests who are paying this 9% are contributing to our economy in many ways beyond the \$1 Billion of lodging tax. They shop, eat, and recreate while they are here. They provide jobs for at least 150,000 people annually. This bill, if passed, would also create unfair advantages and/or disadvantages between different towns.

If we continue to increase costs for visitors it will most certainly hurt our industry. I am speaking up along with hotel operators and real estate professionals who understand how important this 100-year-old industry is to Maine's economy and the livelihood of thousands who live here. Vacation rentals are already declining in terms of demand over the past few years in Maine, but still in demand in general. If guests can't find reasonable ones here in Maine, they will go elsewhere. Too many towns are trying to ban or severely limit vacation rentals blaming them for the lack of affordable housing. Is a \$1 Million home on the ocean affordable housing? People moving to Maine and buying "affordable" properties to live in have helped create this problem, not vacation rentals. People appreciate all that Maine offers and they want to be here too. There has been research done that shows that Vacation Rentals are not causing the affordable housing problem that is occurring all over the country.

Please exercise caution and vote "ought not to pass". I know I can speak for hundreds of property owners and rental managers. Perhaps if all rental properties had local managers 90% of all complaints could be solved.

I welcome both your comments and the opportunity to discuss this issue further in the future.