

Colin Vettier
Portland
LD 1047

Honored members of the Taxation Committee,

My name is Colin Vettier, I live in Portland Maine and I would like to share my support for LD 1047 — An Act to Impose an Additional Tax on Certain Unearned Income.

- Capital gains are one of the main drivers of income inequality. Federal tax rates on capital gains are lower than taxes on income from work, and tax loopholes allow the wealthy to avoid paying taxes on most of their income from capital gains. Increasing taxes on capital gains at the state level would help make the tax code fairer.
- The wealthy pay less in taxes than working people – that’s not fair. Right now, billionaires and millionaires make a lot of their money through investments (like stocks and real estate) instead of wages. This income, called capital gains, is taxed the same as money workers earn on their paychecks. That means a nurse or teacher pays the same tax rate on their hard-earned income that the wealthy pay on their unearned income — that’s not right.
- A small surcharge on capital gains would make the system fairer. A capital gains surcharge is an extra tax on investment income for the wealthiest Americans. It would only apply to the richest people, not to average families selling a home or cashing out retirement savings. This would help ensure the wealthy pay their fair share — just like working people do.
- The money raised would help working families and their communities. Taxing unearned income would raise over \$100 million that would stay in our communities. That means more for our schools, infrastructure, and services like child care.
- Other states have done this — and it works. Minnesota recently adopted a Net Investment Income Tax.
- Bottom line: everyone should play by the same rules. If you work for a living, you pay your fair share in taxes — it’s time for the wealthiest to do the same. A small surcharge on capital gains would help level the playing field and build an economy that works for everyone, not just the rich. Maine can take a step toward fairness by making sure those at the top give back to the community, just like everyone else.

Please vote ‘Ought to Pass’ on LD 1047 and make Maine’s tax structure fairer.

Thank you for your time.