



Testimony of Marge Kilkelly on Behalf of
the Maine Council on Aging to the
Committee on Taxation

In Favor of Tax Fairness
**LD1047 An Act to Impose an Additional Tax on Certain
Unearned Income**
**LD 1089 An Act to Permanently Fund 55 Percent of the
State's Share of Education by Establishing a Tax on
Incomes of More than \$1,000,000**

Submitted March 26, 2025

Senator Grohoski, Representative Cloutier, and the Members of the Committee on Taxation.

My name is Marge Kilkelly, and I am a Policy Consultant for the Maine Council on Aging (MCOA) which is a broad, multidisciplinary network of over 140 organizations, businesses, municipalities, and older community members working to ensure we can all live healthy, engaged, and secure lives with choices and opportunities as we age at home and in community settings. The MCOA is a unifying force across sectors that is creating a new narrative about aging and older people in Maine with the goal of building local, statewide, and national support for the systemic changes needed to support our new longevity.

I am testifying in favor of Tax Fairness: LD1047 An Act to Impose an Additional Tax on Certain Unearned Income and other bills that aim to ensure that people and businesses pay their fair share.

Today and in the next few weeks a number of bills will come before this committee to address the need for additional revenue. The need is real and we contend that not addressing the needs today will in fact create much more difficult state budgets moving forward. Increasing revenue is an investment in the future. Rather than repeating myself at each hearing I wanted to provide you with the issues and opportunities facing Maine as we age.

For years, the MCOA has come before this, and many other legislative committees, asking you to prioritize investments in the kinds of supports, services, and infrastructure necessary to ensure we can all live healthy, productive, and safe lives as we age. While we've had some success, we've mostly failed at securing the kinds of significant investments we need to address the many serious challenges that stand in the way of this goal. The barrier has always been, and continues to be, insufficient revenue. For this reason, we have taken the bold step forward in supporting fair approaches to revenue generation that will allow Maine to make investments in our social infrastructure, address long-standing issues of inequity, and build a stronger economy.

In just one century, our life expectancy has gone from less than 40 years to 76 years. Today, older people are living active, engaged, and productive lives long into their 80s, 90s and even 100s!

Maine has an incredible opportunity to lead the nation in building new systems that take full advantage of the “Longevity Era”. We need new systems because, as we age, the systems that have always worked for us before, like two story homes, single passenger vehicles, and care delivered at a single location, don’t always work for us as our abilities and finances change.

How well we age, and how productive we are long into old age, is dependent upon how well our housing meets our physical needs, whether we can engage fully in all aspects of life when we can no longer drive, how well our communities are planned, and whether we can still earn a living to supplement our savings. It also depends upon whether we can access the kinds of care we need, if we need care.

This new longevity provides an opportunity to change the way we live as we age. Today, most people want to age in their homes, and if they can’t stay at home, they want to stay in their communities. To do this, though, we have to reimagine all of our systems – community planning, transportation, housing development, and care delivery systems.

The problem is, we’re not making much progress on these big systems changes, and in many ways, we’re falling behind. We have to turn this situation around, and generating more revenue is a critical component to this happening.

We believe that policies that reasonably increase taxes on the highest incomes and close tax loopholes will go a long way to toward addressing economic inequity and making investments in our infrastructure that supports healthy aging. We know that this will result in state budget savings in the future as more older Mainers are able to avoid or delay the most costly care.

For example, the income tax is the largest source of state revenue, which means that even small increases to the income tax on high incomes can raise a lot of money to invest in Maine’s people. We believe can build a better, fairer Maine if everyone pays their fair share, and we close corporate loopholes.

We urge you to vote in favor of tax fairness.

Thank you.