

**TESTIMONY OF  
MICHAEL J. ALLEN, ASSOCIATE COMMISSIONER FOR TAX POLICY  
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES**

Before the Joint Standing Committee on Environment and Natural Resources  
Hearing Date: *March 24, 2025*

LD 795 – “*An Act to Exempt Pegmatite Mining from the Maine Metallic Mineral Mining Act and Establish a Permit-by-rule Process*”

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Senator Tepler, Representative Doudera, and members of the Environment and Natural Resources Committee – good morning, my name is Michael Allen, Associate Commissioner for Tax Policy in the Department of Administrative and Financial Services. I am testifying at the request of the Administration Against LD 795 “*An Act to Exempt Pegmatite Mining from the Maine Metallic Mineral Mining Act and Establish a Permit-by-rule Process.*”

This testimony is limited to the bills effect on taxation and Maine Revenue Services.

Contrary to the approach taken by the 131<sup>st</sup> Legislature with LD 2251, “An Act to Amend the Mining Excise Tax Laws,” passed to be enacted unanimously, and the approach recommended by the Administration in the Department of Administrative and Financial Services department bill LD 221, “An Act to Address the Effect of Changes to Federal Income Tax Laws on Maine Income Tax Laws,” this bill appears to effectively exclude lithium-bearing minerals from the Mining Excise Tax.

The Administration looks forward to working with the Committee on the bill.