

## Written Testimony Concerning LD 191

April 16, 2025

Good morning Senator Co-Chair Nicole Grohoski, Representative Co-Chair Kristen Cloutier and members of the Joint Standing Committee on Taxation.

As the President of a *4th generation, family-owned business*, I am writing to express my **strong support** for L.D. 191, An Act to Support Maine Businesses by Establishing a Pass-through Entity Tax and Tax Credit.

This bill supports Maine's small businesses and Maine's family-owned businesses, the backbone of Maine's economy, by addressing the federally imposed \$10,000 cap on state and local tax (SALT) deductions.

You will hear from supporters today who are much better versed in the mechanics of this bill and tax law in general, so I will spare you from getting in the weeds. However, I will say how this bill impacts my company and our approx. 145 employees. The bill, as drafted, would reduce the federal tax burden for Maine business while raising state revenues: a win-win for both the taxpayer and the State. It will spur additional reinvestment by our company – reinvestment in heavy equipment and software; reinvestment into training our team members and giving them bigger annual bonuses.

A total of 36 states have adopted this provision and more are considering it. If Maine fails to adopt LD 191, our state will become an even further outlier.

Please support to pass L.D. 191 and help advance a policy that supports Maine businesses and encourages continued economic growth.

Thank you for your consideration.

Larry Grondin