



April 23, 2025

The Honorable Nicole Grohoski, Co-Chair
Maine Joint Committee on Taxation
3 State House Station, Room 127
Augusta, ME 04333

The Honorable Kristen Cloutier, Co-Chair
Maine Joint Committee on Taxation
3 State House Station, Room 127
Augusta, ME 04333

Re: Support LD 1475 (H.P. 967)

Dear Chair Grohoski, Chair Cloutier, and members of the Committee:

On behalf of Chamber of Progress – a tech industry coalition promoting technology’s progressive future – I write to urge you to **support LD 1475 (H.P. 967)**, which establishes the Commission on the Taxation of Digital Assets. As digital assets become an increasingly integrated part of our economy, it is both timely and prudent that Maine explore a thoughtful framework for this issue.

We commend the Legislature for convening a diverse commission that includes representatives with experience in taxation, economics, business, and digital asset technologies. This holistic approach will help ensure the state’s policies are informed, future-focused, and fair. As the Commission begins its important work, we respectfully **urge caution against adopting any tax regimes that exceed Maine’s current capital gains treatment of digital assets**. Excess tax policy, such as attempting to tax each transaction or implementing regulatory complexity, could push digital asset activity out of the state, discouraging innovation and limiting Maine’s future economic opportunities.

Digital assets are catalysts for economic growth and innovation

Digital asset adoption is growing rapidly, with nearly 30% of Americans already owning cryptocurrency and 67% of current owners planning to buy even more this year.¹ Ownership rates are projected to rise in the coming years, with 14% of non-owners planning to invest in cryptocurrency in 2025 and another 48% expressing openness to entering the market.² Given this growing adoption rate, Maine should embrace and support the use of digital assets through thoughtful and fair taxation considerations, such as the Commission established in LD 1475 (H.P. 967). This bill will help the state develop a thoughtful and balanced framework for taxing digital assets and blockchain technology, positioning Maine as a leader in the digital economy and ensuring that Maine

¹ Security.org. [2025 Cryptocurrency Adoption and Consumer Sentiment Report](#). January 31, 2025.

² *Id.*

residents and businesses are well-prepared to benefit from these emerging opportunities.

Digital assets promote financial inclusion for minorities and small businesses

Black and Hispanic communities have historically faced barriers to accessing traditional financial systems, with higher rates of mortgage denials and banking fees compared to their white counterparts.³ However, digital assets offer these communities a pathway to greater financial inclusion and opportunity. According to Pew Research Center data from 2021 and 2022, 20% of Black, Hispanic, and Asian adults in the U.S. have bought, traded, or used cryptocurrency, compared to just 13% of white adults.⁴ Furthermore, research shows that Black investors are more likely to hold cryptocurrency than traditional assets like stocks or mutual funds.⁵

Cryptocurrencies are also helping small and minority-owned businesses thrive. These businesses often rely on digital assets for lower transaction fees, faster global transactions, and the ability to bypass costly currency conversions and traditional banking fees.⁶ Beyond facilitating daily transactions, cryptocurrencies empower minority-owned enterprises by providing alternative access to capital through decentralized lending platforms, helping them overcome the restrictions of traditional banking institutions.⁷

An excessive and overreaching tax on digital assets would disproportionately burden minority communities and small businesses, as these technologies offer lower barriers to entry and more affordable access to financial tools. By increasing the cost and complexity of participation, a policy could inadvertently cut off vital opportunities for economic empowerment and entrepreneurship in communities historically underserved by traditional financial systems.

Proactive blockchain leadership amid federal uncertainty

By creating this Commission, Maine demonstrates a forward-thinking commitment to exploring the many benefits that digital assets can offer to residents, businesses, and state operations. Moreover, blockchain technology has the potential to drive greater efficiency, security, and transparency in industries ranging from finance and supply chain management to public recordkeeping and healthcare.

³ Consumer Financial Protection Bureau. [Mortgage data \(HMDA\)](#).

⁴ Pew Research Center. [Majority of Americans aren't confident in the safety and reliability of cryptocurrency](#). April 10, 2023.

⁵ Federal Reserve Bank of Kansas City. [The Cryptic Nature of Black Consumer Cryptocurrency Ownership](#). June 1, 2022.

⁶ Harvard Business Review. [How Digital Currencies Can Help Small Businesses](#). May 25, 2022.

⁷ Calibraint. [How does DeFi Lending and Borrowing Platforms Work?](#) April 17, 2024.

While the federal government retains jurisdiction over comprehensive blockchain and cryptocurrency regulation, Maine's proactive engagement ensures the state is well-prepared to address both the opportunities and challenges presented by blockchain and digital assets.

Furthermore, this Commission provides an opportunity for Maine to gather critical insights and develop recommendations that support the digital assets industry's growth within the state, complementing federal efforts to establish a cohesive regulatory framework. By prioritizing innovation while maintaining a focus on consumer protection and equitable access, Maine can foster a thriving digital asset ecosystem that benefits all stakeholders.

The capital gains model provides a clear, familiar, and fair framework for Maine taxpayers and regulators alike. Thank you for your leadership in promoting responsible digital asset taxation through the creation of this Commission and **support the passage of LD 1475 (H.P. 967).**

Sincerely,

A handwritten signature in black ink, appearing to read "Brianna January". The signature is fluid and cursive, with the first name "Brianna" written in a larger, more prominent script than the last name "January".

Brianna January
Director of State & Local Government Relations, Northeast US