

Testimony of the Maine Municipal Association

In Opposition to

LD 1798, *An Act to Increase Revenue Sharing and to Control Property Taxes*

May 1, 2025

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Senator Grohoski, Representative Cloutier and members of the Taxation Committee, my name is Kate Dufour, and I am submitting testimony in opposition to LD 1798 on behalf of MMA's Legislative Policy Committee, which establishes the association's positions on all municipally relevant legislation.

While municipal leaders appreciate that the bill would increase the amount of revenue sharing distributed to towns and cities, they object to the proposal for three reasons.

First, municipal leaders wholeheartedly agree that the amount of funds distributed via the revenue sharing program should be increased. However, they feel the increase should be provided in recognition that local level economic development efforts help to generate state sales and income, rather than increased with conditions attached.

Second, as MMA has noted in other testimony, if the Legislature is going to implement initiatives to reduce property tax burdens, then the resulting impact should deliver relief to all homeowners. Age alone is not a predictor of the ability to pay taxes.

Third, municipalities question the source of the additional revenue, whether that source is sustainable over time, or if it will result in reductions made to the distributions to communities electing not to limit increases in the property taxes paid by some homeowners.

Thank you for your time and consideration of the municipal perspective on this issue.