

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

In Opposition to LD 438 An Act to Allow Municipalities to Limit Nonprofit Property Tax Exemptions

Submitted May 6, 2025

Thank you Senator Grohoski, Representative Cloutier, and 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 opposition to LD 438 An Act to Allow Municipalities to Limit Nonprofit Property Tax Exemptions.

Nonprofit institutions are a critical resource in a community and region. They provide services to residents that are not or cannot be provided by either government or the private sector.

Nonprofits include education institutions, service providers, arts organizations, religious groups, health care, and food banks.

Nonprofits are economic drivers. 1 in 6 Maine workers is employed by a nonprofit. Nonprofits also provide opportunities to volunteer and give back to the community. Nonprofit organizations return their 'profit' to the community in services or opportunities.

For the more than 400,000 older Mainers, many of whom live in rural areas, nonprofits are often the resources they need in order to continue to live in their own homes for as long as possible. For example, Maines 5 Area Agencies on Aging (AAA's) provide a variety of essential services including Meals on Wheels, meal sites, family caregiver support, support in applying for Medicare, adult day programs and transportation.

Charging property taxes on nonprofits, such as AAA's, would require an organization to reduce services or relocate to another community. It would create uncertainty year to year and would likely impact the creation or expansion of facilities.

I urge you to vote No on LD 438 and continue the critical partnership between communities and nonprofits that have benefitted Mainers for years.