

May 16, 2025

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

The Honorable Representative Kristen Cloutier
Co-Chair, Joint Committee on Taxation
State House
2 State House Station
Augusta, Maine 04333-0002

RE: Support of LD 1734 – An Act to Exempt Over-the-Counter Medicines from the Sales and Use Tax

Dear Chairs Grohoski and Cloutier:

On behalf of the Consumer Healthcare Products Association (CHPA)¹, I'm writing to express strong support for LD 1734. This critical legislation expands access to nonprescription medicines for Maine residents by exempting these essential healthcare products from sales and use tax.

Over-the-counter (OTC) medications are essential for managing everyday health needs. From headaches and allergies to cold symptoms and minor injuries, these products help Mainers function effectively at work, school, and home. By removing the sales tax burden, we make these necessities more affordable for all. Research indicates that the average U.S. household spends \$645 annually on OTC products.² Exempting OTC medicines from sales tax would provide significant savings to Maine consumers, enhancing access to early treatment options. These savings are especially impactful for low-income residents who rely heavily on OTCs for their healthcare needs.

OTC medicines also reduce strain on our healthcare system. When people can safely treat minor conditions at home, they reduce unnecessary doctor and emergency room visits. This is especially important in rural areas of Maine where healthcare access can be limited. Studies show that every \$1 spent on OTC medicines saves the U.S. healthcare system over \$7, amounting to \$146 billion in savings annually.³ By making self-care more affordable and accessible, OTC medications help reduce the burden on the healthcare system, allowing it to allocate resources to more serious conditions that require physician intervention.

¹ Consumer Healthcare Products Association is the Washington, D.C. based national trade organization representing the manufacturers of over-the-counter (OTC) medications, dietary supplements, and OTC medical devices

² <https://www.chpa.org/sites/default/files/media/docs/2022-11/The-Power-of-OTCs-to-Provide-Consumer-Value.pdf>

³ [ibid](#)

Finally, prescription medications are already exempt from sales tax in Maine. Extending this exemption to OTC medicines creates a more consistent policy approach to healthcare products and recognizes their legitimate role in our healthcare system.

I urge you to support LD 1734 and help make essential healthcare products more affordable for all Maine residents.

Respectfully submitted,



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cc: Joint Committee on Taxation