

HOUSE OF REPRESENTATIVES

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March 14, 2025

Testimony of Representative Kilton Webb in support of

LD 1734, An Act to Exempt Over-the-counter Medicines from the Sales and Use Tax

Before the Joint Standing Committee on Taxation

Good afternoon, Senator Grohoski, Representative Cloutier and members of the Taxation Committee. My name is Kilton Webb, and I represent House District 98, which includes Durham, Pownal and parts of Bowdoin, Lisbon and Topsham. I am honored to be the lead cosponsor of LD 1734, An Act to Exempt Over-the-counter Medicines from the Sales and Use Tax.

This bill adds over-the-counter (OTC), FDA-approved medicines and drugs to Maine's list of sales tax exemptions. This would include anesthetics, antacids, contraceptive supplies, opioid antagonists as well as medicines intended to be taken for coughs, colds, asthma or allergies.

Right now in Maine, an OTC medication that is not sold on a doctor's prescription is taxable, even if it is purchased on the recommendation of a physician. However, there is no tax on nonprescription medicines purchased by a doctor for use in the doctor's medical practice.

We are seeing other states begin to follow suit. OTC medicine is generally tax-exempt in nine states including Florida, Maryland, Minnesota, New Jersey, New York, Pennsylvania, Texas, Vermont, Virginia as well as Washington, D.C. We have the opportunity to join these states in helping to cut the cost our community members are paying for their OTC medications.

Mainers are looking for ways to reduce the burden of inflation and rising prices on items they buy regularly, and we need to help them. LD 1734 would do just this.

Thank you for your time and consideration.