

MAINE SERVICE CENTERS COALITION

60 Community Drive • Augusta, Maine 04330 • (207) 623-8428

Testimony of the Maine Service Centers Coalition Amendment to LD 713, An Act to Exclude Data Centers from the Business Equipment Tax Exemption and Dirigo Business Incentives Programs and to Require the Maine Department of Economic and Community Development to Study Financial Incentives for Data Centers

Senator Grohoski, Representative Sayre and esteemed members of the Joint Standing Committee on Taxation, the Maine Service Centers Coalition is submitting testimony in support of the proposed amendment to LD 713, An Act to Exclude Data Centers from the Business Equipment Tax Exemption and Dirigo Business Incentives Programs and to Require the Maine Department of Economic and Community Development to Study Financial Incentives for Data Centers

The Maine Service Centers Coalition, comprised of 27 towns and cities across the state, articulates the importance of healthy and thriving service center communities, advocates for public policy that supports and contributes to the economic and social viability of our communities, and collaborates with municipal officials, legislators, state agencies and nonprofits to pursue quality of life for all who live and work in our state.

Our Coalition supports any exclusions to the business equipment tax exemption (BETE) and opposes any further inclusions. Our service center communities generally have more BETE eligible equipment than surrounding municipalities. We know firsthand that BETE does not adequately reimburse cities and towns for the loss of taxable value, nor for the administration of this mandated program. Extending to data centers any tax exemptions not fully reimbursed by the State would place an even greater financial burden onto our municipalities and, in turn, our already heavily taxed homeowners and property owners.

We respectfully ask that should you move forward with the Maine Department of Economic and Community Development's study of financial incentives that may benefit data centers, municipalities be included in these discussions.

Thank you for your time and attention.