



Amy Kuhn

20 Old Powerhouse Road

Falmouth, ME 04105

(207) 939-6903

Amy.Kuhn@legislature.maine.gov

HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION

AUGUSTA, MAINE 04333-0002

(207) 287-1400

TTY: MAINE RELAY 711

April 13, 2023

Testimony of Rep. Amy Kuhn introducing

LD 695, An Act to Exempt Nonprofit Land Trusts from Sales Tax

Before the Joint Standing Committee on Taxation

Good afternoon, Senator Grohoski, Representative Perry, and honorable members of the Joint Standing Committee on Taxation. My name is Amy Kuhn, and I proudly represent the Town of Falmouth in House District 111. I am pleased to be here today to present LD 695, An Act to Exempt Nonprofit Land Trusts from Sales Tax.

This bill came to me from my local land trust, the Falmouth Land Trust, whose important mission is to “preserve and care for natural and agricultural lands in perpetuity, to enhance habitat for plants and wildlife, to advance the quality of life for all in our community, and to educate the public on the history and stewardship of protected lands.”

Under current law, although Maine land trusts are nonprofit organizations, they remain subject to sales tax. Current law 36 MRSA §1760, sub-§115 identifies a long list of nonprofit entities that are exempt from sales tax. These entities include certain hospitals, churches, schools, regional planning commissions, historical societies, museums, libraries, veterans service organizations, animal shelters and more. This bill seeks to add Maine’s nonprofit land trusts to that list.

In 2022, the Falmouth Land Trust spent approximately \$1,500 on sales tax buying things like lumber for bridging and kiosks, educational materials for work with kids and tent rentals for special events. \$1,500 may not seem like a lot of money, but for a local land trust, every dollar counts. This is money that could have been put into conservation, stewardship and educational activities for all ages. Combined with other land trusts across the state, these savings could meaningfully impact land conservation and management in Maine.

Maine’s nonprofit land trusts collectively conserve more than 2.34 million acres of publicly accessible land and maintain more than 1,000 miles of recreational trails, as well as protecting critical wildlife habitats and working waterfronts and farms. Our land trusts play a critical role in preserving our clean air and clean water, promoting climate resilience and educating the next generation on the importance of environmental protection. They also offer robust outdoor recreational opportunities, which directly support Maine’s outdoor tourism sector. Relative to their peer nonprofit organizations, they are entirely worthy of tax exemption under law.

Finally, I would like to reference LD 68, a bill submitted by Representative Sachs that would exempt all nonprofit organizations from sales tax. I am a cosponsor on that bill and support it wholeheartedly. I have submitted the current bill as a reinforcement in case LD 68 does not advance for whatever reason. Our nonprofit land trusts, and all of the people and animals they serve, now and in perpetuity, will benefit from sales tax exemption however it may be realized.

For these reasons, I urge you to vote Ought to Pass on LD 695. I am happy to answer any questions and I thank you for your consideration.