

MAINE CAMPGROUND OWNERS ASSOCIATION

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LD 1893

Testimony in Opposition to LD 1893, An Act to Allow a Municipality to Impose a Fee on Short-term Rentals for the Benefit of that Municipality.

Senator Grohoski Representative Perry Members of the Taxation Committee

My name is Debra Hart, and I am presenting this testimony in opposition to this legislation on behalf of my client, the Maine Campground Owners Association. As in the past, the Maine Campground Owners are very opposed to any kind of a local option sales tax since it pits one municipality against another, and ultimately can make one campground more competitive since their town does not impose such a fee. Currently, campgrounds pay the 9% lodging tax, and this bill would allow a municipality to impose an additional unknown fee if approved by a referendum vote in that municipality.

Campgrounds compete with other types of tourism options for customers who choose to vacation in Maine, whether they be from out-of-state, or in-state residents who choose this type of lodging. Camping is a family-oriented vacation option, and many who cannot afford other options bring their families to these campgrounds for their vacations. In addition to this lodging tax, our customers also spend money at local amusements, shopping in grocery stores and eat at local restaurants. The Campground Association promotes the State of Maine, and we welcome all who stay in these facilities. During the recent COVID pandemic, when restrictions were lifted, this industry saw a record number of customers who chose this type of recreations where they could enjoy being outdoors with their families in a safe and wholesome environment. And since that time, they have had many of those families come back year after year to recreate in this way.

The Campground Owners Association strongly opposes this type of a tax that pits one municipality against another, which results in driving customers to a campground in a town that does not assess the additional local option sales tax. This proposed bill sends the wrong message to our customers and will be extremely harmful for local and small businesses and to the State as a whole.

We hope this Committee will take these comments into consideration on the issue of fairness for an industry that competes with other States and Canadian on where visitors choose to spend their time and money vacationing in the great State of Maine.

Thank you for your consideration of our comments. I'd be happy to answer any questions you may have.