



Joint Standing Committee on Appropriations and Financial Affairs

Testimony of Charter Communications

LD 210 "An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026, and June 30, 2027"

February 3, 2025

Madame Chair Rotundo, Chairman Gattine, and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Kate Gore, and I am the Director of State Government Affairs for Charter Communications in Maine. I am here today to testify in support of the language in Part "G" of the Biennial Budget which seeks to make changes to the sales and use tax and service provider tax.

Charter Communications provides broadband services to over 300 communities in Maine serving more than 460,000 customers. We employ over 750 Maine residents and in 2023 invested \$83 million dollars in Maine. Charter Communications is a leading broadband connectivity company and cable operator serving more than 32 million customers in 41 states through its Spectrum brand. Over an advanced communications network, the company offers a full range of state-of-the-art residential and business services including Spectrum Internet, TV, Mobile and Voice.

Charter has long advocated for a streamlined and equitable approach to Maine's Service Provider Tax policy. Eliminating the Service Provider Tax and instead taxing communications services under the general sales tax will simplify the audit process for both taxpayers and Maine Revenue Services.

The Service Provider Tax is a 6% tax that applies to cable, voice, mobile, and satellite services. Streaming video services are not currently subject to either the Service Provider Tax or the general sales tax. Repealing the Service Provider Tax, coupled with taxing these and other competitive services, such as streaming video service, at the current sales tax rate of 5.5% would provide a tax savings to our customers.

Finally, the proposed changes in Part "G" of the Governor's budget create a fair and equitable change to an increasingly competitive marketplace in which all services would be subject to the same 5.5% sales tax regardless of the platform consumers choose. We urge you to support this change that has been proposed by both Republican and Democrat administrations.

Thank you.