

LD 225 - An Act to Reduce Property Taxes and Finance Public School Construction and Education Through a 3 Percent Sales Tax on Hotel and Lodging Place Rentals

Testimony provided in person by Gary "Bo" Jennings, a resident of and business leader in Bar Harbor, in opposition of LD 225.

"Good afternoon. My name is Gary Jennings (better known as Bo) I am here today to speak in opposition of LD 225, both as a resident and as a business leader in Bar Harbor. I help run multiple businesses, and serve as the Bar Harbor Chamber of Commerce Board President.

Looking at just Hotel/Lodging taxes, there are only 12 states/territories with an identical or higher lodging tax than Maine does currently, putting us in the top 25% of highest taxed states/territories on lodging establishments . Adding a mandatory additional 3% would mean only 4 states/territories would have higher percentages than Maine. Maine already faces challenges to visit because of our location, but because of affordability and its beauty, it remains a highly desired state to visit.

If we increase our state-wide lodging tax, the entire state will see a decrease in room nights. A small lodging tax could be absorbed and not seen as a deterrent. But adding this 3% tax on top of, or in place of LD 746, will hurt visitation and small businesses owners.

We are already facing challenges that change daily, both locally, nationally, and internationally. The state is already properly funded by a 9% lodging tax, and we need to focus on what's best for our municipalities and our businesses, both of which this bill would hurt.

I ask you not to move this bill forward.

Thank you"