



MAINE CAMPGROUND OWNERS ASSOCIATION

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Testimony in Opposition to both LD 632, An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing and LD 746, An Act to Authorize a Local Option Sales Tax on Short-term Lodging to Fund Municipalities and Affordable Housing

Senator Grohoski
Representative Cloutier
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 or tax. Currently, campgrounds pay the 9% lodging tax, and this bill would allow a municipality to impose an additional unknown fee or tax 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 and in some cases for a entire summer. In addition to this lodging tax, their customers also spend money at local amusements, shop in grocery stores and eat at local restaurants. The Campground Association promotes the State of Maine, and they welcome all who stay in these facilities where they enjoy being outdoors with their families in a safe and wholesome environment. Many of their guests come back year after year to the same campground while others try different campgrounds throughout the State.

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. These proposed bills send the wrong message to our customers and will be extremely harmful for local small businesses and to the State as a whole.

We hope the Committee will take these comments into consideration on the issue of fairness for an industry that competes with other states and Canada on where visitors choose to spend their time and money while vacationing. MECOA members hope they will come back to Maine and to their campgrounds.

Thank you for your consideration of our comments. I'd be happy to answer any questions you may have or provide additional information for your work session.