

Libby DeLucia-Harting  
Portland  
LD 1047 & LD 1089

Senator Grohoski, Representative Cloutier, and members of the Taxation Committee, my name is Libby DeLucia-Harting; I live in Portland. I am here to testify in support of LD 1047 & LD 1089.

The first rule of fight club is "Don't talk about fight club." Similarly, the first rule of wealth seems to be, "Don't talk about wealth". But today, I want to talk about my wealth to highlight the importance of taxing people like me.

My great grandfather made a lot of money in the 1950s, and because my family carefully took advantage of legal tax loopholes, I inherited significant wealth three generations later. Now, I "earn" money from the stocks I inherited as the stock market grows, and that income isn't taxed any differently in Maine than if I earned \$62,000 from a job.

This wealth doesn't just make me rich, it also perpetuates the cycle of rich and poor. When I was applying to college, I had a private tutor for the SATs, and a family friend who worked in admissions at Dartmouth helped me with my essays. I got into an Ivy League school. I graduated with connections to executives and government officials that helped me get jobs until I realized that making six figures wasn't my goal. My goal is for every kid to have a stable home and opportunities like me.

If LD 1047, the Unearned Income Tax, were in place, I would have paid an extra \$42,000 in taxes to the state of Maine over a 3 year period:

- That's enough to pay the Maine wage supplement for 5 child care workers over 3 years, helping retain those workers and therefore keeping childcare available to 40 toddlers. That's 80 Maine parents who can continue earning money and growing their careers while their children are safe and cared for because I paid a more fair share of my taxes.
- That's enough to provide SUN Bucks for summer nutrition for 3 years for almost all the kids at Milo Elementary School in RSU 41, where 91% of kids are eligible for free lunch.

Instead, with my extra funds, I made donations to nonprofits out of state run by people I know, I bought expensive furniture, and I made political donations. That's not fair.

I shouldn't be deciding where this excess Unearned Income goes. Voters should decide. I would rather pay this money in taxes and have it spent in Maine, according to the will of our democratic process, and that's why I'm speaking up about my wealth today.

I ask this Committee to vote 'Ought to Pass' on LD 1047 and LD 1089 to make Maine's tax code more fair. Thank you. I'm happy to take questions.

| Child care worker wage supplement          | Monthly  | Annual  | Over 3 Years |
|--|----------|---------|--------------|
| Tier 1 wage supplement                     | \$240    | \$2,880 | \$8,640      |
| # of Workers retained                      | 5        |         |              |
| Toddlers cared for per worker (<13 center) | 8        |         |              |
| Total Toddlers cared for                   | 40       |         |              |
| SUN Bucks - summer nutrition program       | Per year | # years | Total        |
| SUN Bucks per child                        | \$120    | 3       | \$360        |
| Children paid for over 3 years             | 117      |         |              |