



Testimony of Rita Furlow

Maine Children's Alliance

Before the Joint Standing Committee on Taxation

LD 1047 & 1089

An Act to Impose an Additional Tax on Certain Unearned Income

An Act to Permanently Fund 55% of the State's Share of Education by Establishing a Tax on Incomes of  
More than \$1,000,000

March 26, 2025

Good morning, Senator Grohoski and Representative Cloutier, and esteemed members of the Joint Standing Committee on Taxation, my name is Rita Furlow. I am the Senior Policy Analyst at the Maine Children's Alliance. I am providing testimony in support of LD 1047, *An Act to Impose an Additional Tax on Certain Unearned Income* and LD 1089, *An Act to Permanently Fund 55% of the State's Share of Education by Establishing a Tax on Incomes of More than \$1,000,000*. The Maine Children's Alliance is a statewide non-partisan, non-profit research and advocacy organization whose mission is to promote sound public policies to improve the lives of children, youth, and families in Maine.

Children in Maine represent our future prosperity. They will be the workforce that supports our aging population, and the parents who will raise the next generation of Mainers. Investment in their education, health, and well-being are critical to ensure a strong foundation for their future learning and employment. We need to invest now, to yield those positive results in the future.

Maine's state budget reflects our values. Because we value children and families in our state, we need to support policy proposals that will ensure revenue to fund crucial supports and services that will foster their success now and into the future. Over the last several years our state has invested in crucial programs to support the needs of Maine children such as funding our schools at 55%, school meals, child care, and health care. These two proposals represent commonsense opportunities to ensure that everyone pays their fair share to support the kinds of communities we all want to live in – where children can receive the education and healthcare they need for a strong and healthy future.

Maine's tax code should support fairness and opportunities. Taxes on those making more than \$1 million and a change to the capital gains tax would build a stronger, fairer tax code. It is important for those who can afford to pay their fair share – just as working people do – so that every family in Maine lives in a community where they have an equal chance to access quality education, healthcare, housing, and other supports and services that allow them to thrive.

With federal investments in question, and a tight state budget, we believe now is the time for the Legislature to support commonsense policy proposals that will raise revenue to support an economy that works for everyone and ensures we have the resources to provide for Maine's children and families. We urge you to support these proposals as a step in the right direction toward greater tax fairness that can provide for future prosperity for Maine.

Thank you for your attention and consideration.