



(207) 200-1574
info@workingfamiliesme.org
www.WorkingFamiliesME.org

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Senator Grohowski, Representative Cloutier and members of the Taxation Committee, my name is Evan LeBrun. I'm the executive director of Mainers for Working Families, an organization that promotes solutions that give Maine's working families a fairer shake. On behalf of the communities we advocate for, we're testifying today in support of LD 1047 and LD 1089.

Not only do these bills take important steps toward unrigging the tax code that currently demands Maine's middle class kick in a larger portion of their income than the very wealthiest Mainers, they also provide critical sources of revenue to protect against promised federal budget cuts that will cause disproportionate harm to working families.

LD 1047, sponsored by Representative Lookner, addresses a major source of inequity in our tax system by applying a 4% surcharge on capital gains greater than \$250,000 for an individual, or \$500,000 for a married couple filing jointly. Right now, the federal government taxes the paychecks of folks who work for their living at a much higher rate than the income the wealthiest Americans make from simply sitting on large investment portfolios. Not only is that grossly unfair, it robs us of much needed revenue, as much as \$100 million, that could go towards giving a leg up to the people our economy has left behind.

LD 1089, sponsored by Representative Golek, would help shore up funding for our public schools – which are facing the threat of major federal cuts to education – by placing an additional tax on incomes greater than \$1,000,000. Right now, thanks in part to the tax cuts for the wealthy pushed through in the LePage administration, people earning just over \$61,600 a year are in the same tax bracket as the wealthiest people in our state. This bill is a small step towards undoing the damage those giveaways to the rich have caused. And at a time when the federal government is promising devastating cuts to our schools, the choice you have before you is between supporting quality education for our children or continuing to subsidize tax breaks for the wealthiest among us.

Now more than ever, our working families are counting on our elected officials to do the right thing and stand up to the monied interests that have been rigging our tax code and our economy in their favor at our expense. We strongly urge you to stand behind the working families in your district and vote to pass these two critical bills.

Thank you,

Evan LeBrun

Executive Director
Mainers for Working Families