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April 1, 2025

Dear Members of the Taxation Committee,

I am writing to express my concern regarding bill LD 2000, which, effective January 1, 2025, changed the way that tax is collected on the purchase of personal tangible/leased property – from that of collecting the tax on the front end on a purchase price to instead on the backend, as a lease stream. The impact of this bill in the golf industry has introduced a new 5.5% tax on golf cart rentals as well as golf club rentals and range ball fees to the golfer in the state of Maine.

As a golf course owner and operator, I am alarmed by the potential impact this taxation will have on our operations and the broader recreational landscape in Maine. There are 128,000 golfers in the state of Maine, most of which rent carts while golfing. This is a significant number made strong during the covid years, where Mainers took to the sport of golf in droves to be outside and enjoy the recreational health benefits that golf has always offered. Here are a few of the recreational benefits of golfers, even with a cart:

- **Physical Activity:** While you're not walking as much, you still engage in light exercise by swinging clubs, walking short distances between the cart and greens, and bending to pick up balls.
- **Stress Relief:** Spending time in nature and focusing on the game can reduce stress levels and improve mental well-being.
- **Flexibility and Strength:** The repeated motion of swinging a golf club can enhance your flexibility, balance, and muscle coordination.
- **Social Interaction:** Golf often involves playing with friends or meeting new people, which is great for mental health and emotional support.
- **Vitamin D:** Being outdoors means exposure to sunlight, which can help your body produce vitamin D which is important for bone health and immune function.

While walking the course would increase cardiovascular benefits, golfing with a cart still keeps you moving and active, especially compared to more sedentary activities. Plus, any form of enjoyable activity has benefits for overall happiness and health.

Why are we now imposing a new tax on golfers in the state, many new to the sport? I, along with many colleagues, am concerned about this new tax. One legislator that I talked to said not to worry and that this new tax was simply a tax shift in the way it was collected and was in fact revenue neutral. But the impact between a lease stream method of collection vs. the upfront collection is millions of dollars statewide -those dollars now passed on to the consumer, to the golfer who rides. There is no doubt that golf has seen a huge resurgence in recent years. We in the industry, led by the efforts of the Maine Golf Association are working hard to maintain the high interests of golf today,

not only because it is good for our industry, but it is good for our state. A strong industry brings unmatched benefits, many of them health benefits as noted earlier. But there are so many more reasons why a strong golf industry is critical to our state. I have listed a few below – but these and other important benefits are included in Maine’s Economic Golf Impact Study that was recently completed in 2023. I have attached this extremely important and worthwhile document for your review. I urge you to take time and read this document. Let’s keep our state’s golf participation high! This is not the time to impose this new golf tax upon our golfers. I, along with many of my colleagues, are okay with paying a significant tax on the purchase of tangible leased/rented property (including golf carts) on the front end of the purchase instead of having our customer/golfers pay much more on the back end.

To that end, I am writing to urge your support for LD 1211, a bill that would restore the payment of sales tax on leased or rented personal tangible property at the time of purchase, rather than on the back end as a lease stream collected at the POS, each time the property is rented/leased. Supporting LD 1211 is critical, not just for the golf community, but for the economic and social well-being of Maine residents. Please consider the significant financial relief and the broader positive impact this bill would provide.

Thank you for your time, consideration, and support for LD 1211.

Sincerely,

David Pollard, Co-Owner/Operator, Spring Meadows Golf Course

From Maine’s Economic Impact Study

The golf business plays a critical role in Maine’s economy. Our state’s golf courses employ 6,200 residents and collectively, Maine’s golf industry contributes an economic impact of \$550,000,000.

Moreover, Maine’s golf courses provide essential benefits beyond economic contributions:

- They offer *vital green spaces* and support *local charities*.
- *90% of Maine's golf courses are public access*, ranking third highest in the nation.
- *More than half of the state's 128 golf courses are 9-hole courses*, emphasizing accessibility.
- Every county in Maine—all 16—has a *golf course*, bringing benefits to communities statewide.
- Maine’s golf courses foster *junior golf programs*, encouraging growth and development for young athletes.