

Testimony of Charlotte Jacobs, Scarborough

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Testimony in support of LD 1294, "An Act to Expand the Dependent Exemption Tax Credit"

Good afternoon and thank you, Senator Grohoski, Representative Cloutier and distinguished members of the Taxation Committee. My name is Charlotte Jacobs, and I am writing in support of LD 1294, "An Act to Expand the Dependent Exemption Tax Credit." This proposed bill represents a critical opportunity to directly support working families in Maine.

LD 1294 proposes a \$300 tax credit for families earning less than \$150,000 per year for each dependent child under the age of six. This bill is targeted specifically at low- and middle-income families, helping them without costing the state additional money. For many of us, this small but vital financial relief could make all the difference.

As a mom of two children, I can speak firsthand about how difficult it has become to afford the basic necessities. The cost of living is rising every day, and providing for my family is becoming increasingly harder. I shouldn't have to worry about where my next meal will come from or how I'm going to afford the things my children need to grow and thrive. This is why LD 1294 is so important. A \$300 tax credit would go a long way in helping me and many other families. It could help buy infant formula, diapers, stock up on groceries, or pay for heating to keep a family warm in the winter. I speak in full support of this bill, even as my children are both over 6 years old, knowing that this will help every family in Maine who qualifies.

Like many families in Maine, I am constantly trying to make ends meet. I'm finding myself thinking about taking on a second job just to cover the basics. The thought of spending more time away from my children, simply to provide for them, is heartbreaking. In 2023, 12.6% of Maine's children lived in poverty, and many families like mine are struggling to afford food, rent, fuel, and childcare. This is where the Dependent Exemption Tax Credit comes in—it's money that parents and caregivers can use for whatever their family needs most, whether that's paying for doctor visits, car repairs, rent, or even just keeping the lights on.

Investing in Maine's child tax credit isn't just a win for families today—it's a smart long-term investment in our future. Studies show that for every \$1 spent on the federal child tax credit (of which the DETC is Maine's version), \$10 is returned to the economy. Helping families now will contribute to a stronger, more stable future for everyone in Maine.

I know there is some debate about “handouts” when it comes to government assistance, but I truly believe that this is not that. This is an investment in our state’s working families, and it will help families like mine avoid falling through the cracks. Please vote “ought to pass” on LD 1294 and show your constituents that you recognize the struggles we are facing and that you care enough to act. This small but significant step would give families like mine much-needed peace of mind.

Thank you for your time and consideration.