



The voice of Maine business

Testimony of Linda Caprara
LD 1419 “An Act to Provide a Sales Tax Exemption for Housing Constructed Off-site
Similar to That for On-site Construction”
April 15, 2025

Good afternoon Sen. Grohoski, Rep. Cloutier and members of the Joint standing Committee on Taxation. My name is Linda Caprara. I am the Vice President of Advocacy for the Maine State Chamber of Commerce and a resident of Winthrop. We are testifying in strong support of L.D. 1419, “An Act to Provide a Sales Tax Exemption for Housing Constructed Off-site Similar to That for On-site Construction.” We would like to thank Senator Bennett for sponsoring this bill that would create parity in the tax code for the construction of manufactured homes.

Housing has been a top priority for the Chamber as the lack of housing is constraining businesses from expanding and limiting discretionary spending for households that are spending more and more of their income dedicated to housing costs. Just this past week, the Chamber led a letter to legislative leaders to prioritize legislation that will unlock housing development.

One opportunity for housing production is through manufactured housing. HR&A released an independent report on recommended policies that can promote housing development and recommendation 3.7 specifically highlighted the opportunity in manufactured housing. Currently, manufactured homes are subject to points of sales tax, on the materials and then on construction. Senator Bennet would address this by increasing the sales tax exemption.

We should holistically be looking to reduce the costs of building homes in Maine and promoting building these homes right here with Maine materials. The Maine State Chamber of Commerce is pleased to support this legislation and believe it is a critical component of a comprehensive strategy to address Maine’s acute housing shortage.