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THE MAINE SENATE
132nd Legislature

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Testimony in Support of
LD 1734, "An Act to Exempt Over-the-counter Medicines from the Sales and Use Tax"
Before the Joint Standing Committee on Taxation
May 14, 2025

Senator Grohoski, Representative Cloutier, and esteemed members of the Joint Standing Committee on Taxation, my name is Mattie Daughtry. I serve as President of the Maine Senate and proudly represent Senate District 23, including Brunswick, Freeport, Harpswell, Pownal, Chebeague Island, and part of Yarmouth. I am pleased to be here today to introduce LD 1734, "An Act to Exempt Over-the-counter Medicines from the Sales and Use Tax."

The goal of this legislation is simple but meaningful: to lower everyday costs for Maine families who continue to feel the squeeze of high prices. While we are fortunate that many aspects of our economy have recovered from the early 2020s pandemic, the reality is that for too many Mainers, essential items like medicine still strain household budgets.

Currently, prescription medicines are exempt from Maine's sales and use tax, but over-the-counter (OTC) medicines—despite being just as essential for maintaining health—are not. LD 1734 updates our tax code to exempt a range of over-the-counter medicines, such as cough and cold treatments, allergy medications, eye and ear preparations, contraceptives, opioid antagonists, and other critical health products. These are items families rely on every day to stay healthy, prevent illness, and manage chronic conditions.

This bill makes a commonsense change that will make it a little easier for Mainers to care for themselves and their loved ones without the added burden of a sales tax at the register. In a time when families are working hard to stretch every dollar, this small but targeted exemption would put meaningful savings back into their pockets.

I also want to highlight that LD 1734 is carefully crafted. It ties eligibility for the exemption to the U.S. Food and Drug Administration's labeling standards, ensuring clarity for retailers and consumers alike while keeping the exemption focused on legitimate, medically necessary products.

I respectfully ask for the Committee's support to move this bill forward. Thank you for your time and consideration, and I am happy to answer any questions.

President of the Senate, Senate District 23
Brunswick, Freeport, Harpswell, Pownal, Chebeague Island, and part of Yarmouth