



May 15th, 2025

**To: Senator Grohoski, Representative Cloutier, and Honorable Members of the
Joint Standing Committee on Taxation**

**From: Alex McMahan
Lewiston, Maine 04240**

Subject: Support of LD 1654

Our industry is facing significant financial pressure. Any relief surrounding excise tax would be both welcome and necessary. We fully support LD 1654, which proposes a crucial adjustment to the timing of excise tax payments. While this bill may not resolve every issue related to excise tax, it is an important and meaningful step in the right direction.

One of the most pressing challenges with the current excise tax structure is its impact on cash flow. These taxes are often due well before revenue is realized, placing an undue burden on businesses, particularly smaller operations that operate on tight margins. This misalignment can severely impair day-to-day financial operations, restrict growth, and even threaten business viability.

LD 1654 directly addresses this concern by offering a more practical and sustainable timeline for payment. By easing the immediate cash flow constraints, it gives businesses the breathing room we need to stay operational, invest in our workforce, and continue contributing to the economy. While LD 1942 seeks to address the broader issue of the overall tax burden, LD 1654 provides a targeted, effective solution to the immediate challenge of liquidity.

There is still more work to be done on the topic of excise tax reform, but this bill represents a smart, focused improvement. We urge the committee to support the bill and vote "ought to pass" on LD 1654.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Alex", followed by a long, sweeping horizontal line that extends to the right.

Alex McMahan
Maine Cannabis Industry Association