



LD 1899, An Act to Eliminate Taxation on Health Care Spending

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May 16, 2025

Good morning, Senator Grahowski, Representative Cloutier, and distinguished members of the Committee on Taxation,

I am pleased to introduce LD 1899, "An Act to Eliminate Taxation on Health Care Spending."

I introduced this legislation because I believe our tax code should reflect our values—particularly when it comes to how we treat Mainers who are doing their best to take care of their health and the health of their families.

Under current law, Mainers may deduct certain medical and dental expenses on their state income tax only if those expenses exceed a set percentage—currently 7.5%—of their federal adjusted gross income. That threshold excludes many families who are still facing significant out-of-pocket costs, even if those expenses don't happen to rise above the arbitrary federal limit. LD 1899 eliminates that hurdle. It allows a deduction for **any** medical or dental expense that qualifies under federal law.

This bill is grounded in a basic principle: healthcare is not a luxury, and it shouldn't be treated as such in our tax code. When Maine people spend their own hard-earned money on doctor visits, prescriptions, dental work, or mental health services, they

shouldn't be penalized for it, via taxation on the money they spend on essential medical care.

This change is especially important for seniors living on fixed incomes, families with children who need braces or physical therapy, and self-employed Mainers who face high deductibles and limited coverage options. These are not people looking for loopholes or special treatment. These are everyday citizens who are doing the right thing—paying their bills, prioritizing their health, and trying to make ends meet.

LD 1899 is a simple, straightforward way to make our tax code more fair and more compassionate. It does not create a new program or bureaucracy. It relies on existing federal definitions to determine eligibility and ensures that any qualified out-of-pocket expense—not just those above a certain percentage—is eligible for a deduction.

This is a targeted adjustment that benefits ordinary Mainers who have the misfortune of needing medical or dental care in a given year. And in a state where healthcare costs continue to rise, we should be looking for every reasonable opportunity to ease that burden—not to add to it.

In closing, LD 1899 is about respecting the dignity of Maine people. It's about recognizing that when someone uses their own income to pay for a necessary medical expense, the government should not come back and take a cut. I respectfully urge this committee to vote "ought to pass" and send a clear message that Maine puts people, health, and fairness first.

Thank you for your time and consideration.