



Richard Bradstreet
Senator, District 15

THE MAINE SENATE
132nd Legislature

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LD 714, An Act to Amend the Tax Laws
Joint Standing Committee on Taxation
Public Hearing
March 17, 2026

Senator Grohoski, Representative Sayre and distinguished members of the Joint Committee on Taxation:

My name is Dick Bradstreet, I represent Senate District 15, and I am here in strong support of LD 714, which I believe may be titled *AN ACT TO PREVENT STATE INCOME TAX FROM BEING COLLECTED ON MONEY STOLEN FROM VICTIMS OF SCAMS*.

First, I would like to thank Senator Grohoski and Representative Sayre for their diligence in allowing this bill to be brought forward. The process has been a rather interesting one, but the bill is here before your committee, and I appreciate that very much!

I believe those testifying in support of this bill will bring you some of the details that gave rise to the creation of LD 714. Essentially, a number of people were cleverly deceived by proposals designed to steal much of the funds that the victims had set aside for their retirements. The scams were not all the same, but they did have the same effect relevant to tax obligations both at the federal and state levels. Technically, these people made withdrawals of funds from their accounts, and in such cases those withdrawals are deemed to be

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income and therefore taxable. These people owe taxes on the funds even though they no longer have the funds – they are long gone.

The federal government has taken steps to remove such stolen funds from taxable income, which is a bit of a relief to the victims. Maine Revenue Services is not able to do likewise at the state level because there is no statute allowing it to do so. LD 714 seeks to remedy this. It is my hope that the committee will come up with a solution that will bring a great amount of relief to victims of these scams. This will certainly not make them whole, but it will provide at least somewhat of a boost as they seek to rebuild the funds necessary for them to enjoy their retirement years at least a little bit more than they otherwise would.

I do have one item to point out about the bill: it talks about taxable years beginning on or after January 1, 2026. Because these scams have already occurred, I hope the outcome of the bill will enable people who suffered the losses in 2025 to be included as well.

Thank you for your time and attention.