



SIERRA CLUB

MAINE CHAPTER

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To: Committee on Taxation

From: Marianne Hill, Sierra Club Maine

Date: April 13, 2021

Re: Testimony in Support of LD 428- **An Act To Prevent Tax Haven Abuse**

Dear Senator Chipman, Representative Terry, and members of the Committee on Taxation:

My name is Marianne Hill, and I write on behalf of Sierra Club Maine's over 20,000 members and supporters. Sierra Club Maine, like most Mainers, believes in tax fairness. Everyone should pay their fair share of taxes. Big business should do its part and should not be permitted to hide income in tax havens. Billions of dollars generated in the US go untaxed because of this egregious tax loophole.

LD 428 improves fairness in our tax code by addressing tax havens. Mainers invest millions to create the strong economy that enables businesses to enjoy handsome profits. **Maine should not allow these profitable multinational firms to hide their profits overseas and avoid paying their fair share.** Maine loses an estimated \$52 million due to this tax loophole, and the figure is likely greater.

Our people and our communities do better when everyone has the resources they need to prosper and thrive. Taxes affect whether or not we can provide needed support to families, towns, and the economy. We all pitch in through taxes to pay for investments that create a better quality of life for everyone in Maine: schools, housing, transportation, health care, clean air and water, parks, and family supports like food and child care assistance. *The protection of the environment and conservation of Maine's resources require funds.*

Today's huge, multinational corporations, such as Apple, Pfizer, Exxon Mobil, and Google, use offshore tax havens to avoid paying taxes on billions of dollars of profits every year.

These *and other* corporations benefit from Maine's public investments but aren't paying their fair share to support the public services that make Maine a good place to *live and do business*.

LD 428 will curb the abuse of tax havens by multinational firms that do business in Maine by requiring them to claim US-based profits stashed in known offshore tax havens when they file their taxes.

On Behalf of the Sierra Club Maine,

Marianne Hill

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The above information comes from Maine Center for Economic Policy, Mainers for Tax Fairness, and *other research.* *Marianne Hill, Ph.D.*

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