

May 24, 2021

Dear Chairs Chipman and Terry and Members of the Joint Standing Committee on Taxation,

As individuals who would be affected by an increase in the estate tax, we urge you to pass a bill to reduce the estate tax exemption, an important step in restoring fairness to our tax code and providing the state with revenue that will benefit everyone who calls Maine home.

The COVID-19 pandemic and subsequent recession have directly harmed many individuals and families while those at the top continued to prosper. Even before these recent events, the pre-pandemic status quo had left too many people behind. Our recovery will not be complete until our tax code provides a sustained pathway to economic prosperity for all working families and children.

There is no excuse to keep this expensive tax break that benefits only a handful of people like us when Maine struggles to raise ongoing funds for public schools, safe highways, opioid treatment and other urgent needs. There is also abundant evidence that inequality – which expanded during this public health and economic crisis – limits economic growth. Passing either LD 1704 or LD 1524 would both strengthen our economy and will raise tens of millions a year to support our communities.

We all have or will likely have estates that would be affected by this change and would pay more in estate taxes as a result. We believe that is the right outcome. Over the past decade, the Legislature has twice increased the estate tax exemption. Today, it is five times higher than it was in 2010, and the first \$5.8 million of wealth held by individuals like us is not subject to the estate tax at all. We would support a proposal at least as strong as the one considered by the 129th Legislature, which would have cut the estate tax exemption to \$2 million, or \$4 million for couples.

We know some legislators are concerned about the effect such a change would have on wealthy individuals. We appreciate your concern, but we know that our own and our heirs' prosperity and quality of life is intrinsically linked to the economic security and well-being of all Mainers.

We urge you to pass either LD 1704 or LD 1524.

Sincerely,

Becky Bartovics

Michael Lambert

Margo Simmons

Craig Bramley

Ali Mann

Alison Smith

Marilyn Bronzi

Hannah Quimby

Valerie and Matthew Todd

Bill Creighton

Betsy Saltonstall

Carol Wishcamper

Marcus Hutchins

Ellen Seidman

Julia Kahrl

Kimberly Simmons