



**Written Testimony of Jess Maurer on Behalf of
The Maine Council on Aging
To Joint Standing Committee on Taxation**

**In Favor of LD 1524 – An Act to Amend the Maine
Exclusion Amount in the Estate Tax**

Submitted in Writing on May 13, 2021

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

My name is Jess Maurer and I'm the Executive Director of the Maine Council on Aging (MCOA). The MCOA is a broad, multidisciplinary network of more than 100 organizations, businesses, municipalities, and older community members. The MCOA is a unifying force across sectors that is creating a new narrative about aging and older people in Maine with the goal of building local, statewide, and national support for the systemic changes needed to support our new longevity. I am testifying in favor of LD 1524.

For nearly a decade, the MCOA has been advocating before the Legislature on many initiatives and proposals that require significant investments in systems that support healthy aging. With support from people across Maine and many legislators, there have been some accomplishments, but the necessary big investments never happen, not because they aren't needed or aren't important—but because the revenue available is just not enough to meet the need.

At the same time, people with substantial estates up to \$5.8 million are paying no taxes on their estate. When estate taxes are so low that they apply to only a very few people, the state's overall tax burden shifts to those of more modest means. Estate taxes are a targeted and effective way to address income inequality and to make our tax structure fairer and more equitable.

As Maine's population ages, we must support people in living purposeful, safe, and healthy lives—lives that can contribute to Maine's economy. Many Mainers are living engaged and productive lives enabling our state to prosper even as our median age increases, but some will need supports, like home care supports, affordable housing, home repair assistance, and transportation, to be able to achieve their best potential. Reasonable and equitable estate taxes increase the fairness of our tax system and help provide the revenue to enable people to live in their communities and contribute to a true multi-generational society.

How well we age, and how productive we are long into old age, is dependent upon how well our housing meets our physical needs, whether we can engage fully in all aspects of life when we can no longer drive, how well our communities are planned, and whether we can still earn a living to supplement our savings. It also depends upon whether we can access the kinds of care we need, if we need care.

We believe taxing people fairly will go a long way to toward addressing economic inequity and generating the revenue needed to make investments in our infrastructure that supports healthy aging.

We urge you to vote in favor of LD 1524.

Thank you.

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