

MAINERS for TAX FAIRNESS

mainersfortaxfairness.org

LD 501: An Act To Amend Maine's Corporate Income Tax by Increasing the Top Rate from 8.93 Percent to 12.4 Percent

What is this bill?

This is a bill to raise taxes on *large, profitable corporations*.

Maine's top tax rate on corporations doesn't kick in until a company has amassed \$3.5 million in profits. This bill would raise the tax rate on profits above that level from 8.93 to 12.4 percent. That change would raise tens of millions of dollars that Maine could use to make investments that help all Mainers thrive.

Background:

Maine cut corporate taxes in 2018, taking resources away from vital investments like health care, education, workforce development, and infrastructure. This bill ensures that the biggest corporations are paying more to support these investments that help build strong communities and shared prosperity.

Maine families have done their part.

It's time for big corporations to do theirs.

Mainers have sacrificed and put themselves on the line to help their families and their communities through the pandemic and economic health crisis. For some of us, that means working on the frontlines, teaching students remotely, stocking shelves, or making deliveries to people's homes.

Still, many Mainers are experiencing real hardship – unemployment, hunger, housing insecurity – while big corporations like Amazon, Walmart, Microsoft, Apple, and big food producers have seen their profits soar. Many of these big corporations have even laid off workers as they lobbied for big tax breaks from Congress. Many of these corporations also benefit from tax loopholes in Maine's own tax code.

Mainers have done their part. These profitable corporations, those that have profited even during this global pandemic, should pitch in more to help Maine rebuild and invest in the families that have been hurt the most.

MAINERS for TAX FAIRNESS

This bill doesn't affect most Maine-made businesses:

The corporate income tax is assessed on the profits of businesses that are organized as C-corporations which represent a small share of businesses in Maine. Nationally, C-corporations make up only 5 percent of businesses.

About Mainers for Tax Fairness:

Mainers for Tax Fairness is a coalition dedicated to cleaning up Maine's tax code to fund investments to build thriving communities. The coalition represents teachers, health care providers, policy experts, workers, small business owners, advocates for children and families with low incomes, and other groups fighting to improve tax fairness and build a stronger, more inclusive economy for all Mainers. Learn more at mainersfortaxfairness.org.