

# MAINERS for TAX FAIRNESS

[mainersfortaxfairness.org](http://mainersfortaxfairness.org)

## Why Raise Taxes on High Incomes?

The Maine Legislature will consider several bills this year that would increase taxes on the highest incomes in Maine. All of these bills would go a long way toward un-rigging Maine's tax code, which currently asks more of middle-class families than it does of the very wealthy.

The money raised by taxing the highest incomes can be used to address long-unmet needs in our state, whether it's funding for schools, investments in our infrastructure, providing critical care services for older Mainers and those with disabilities or mental health needs, or any other investments that help Maine families and communities.

## The Income Tax is the Fairest, Best Way to Raise the Money Maine Needs to Invest in Its People and Places

The Income Tax is the best way to secure the revenue Maine needs to meet its current and future challenges because of its inherent fairness and the amount of revenue it can raise.

Maine's Income Tax is fairer than other taxes because it asks those who have the most to contribute more back to their communities than families with low incomes. That makes it fairer than taxes like the Sales Tax and Property Tax. Because those taxes are assessed regardless of ability to pay, low- and middle-income families end up paying a larger share of their incomes than wealthy families.

The Income Tax is also the largest single source of state revenue, which means that even small increases to the income tax on high incomes can raise a lot of money to invest in Maine's people and places.

***Increasing taxes on high incomes is the best way to raise the revenue we need without affecting low- and moderate-income families.***

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## **Today, the Income Tax Treats Millionaires like Middle-Class Families. That's Not Right.**

One major problem with our current income tax is that it treats millionaires the same way it treats middle-class families. That's because the current top tax rate kicks in at just \$51,700 of taxable income for an individual.

So under our current tax code, a middle-class worker pays the same top tax rate as a CEO earning \$300,000 or \$1 million or more.

***Maine should tax millionaires at a higher rate than it taxes middle-class families. Raising the tax on the highest incomes would help make our tax code fairer for working people.***

## **Cuts to the Income Tax have Benefited the Wealthy at the Expense of Most Mainers**

Under Gov. Paul LePage, Maine made big income tax cuts, with most of the benefits going to the wealthiest households in Maine. At the same time, the state increased the sales tax, which is disproportionately paid by poor and middle-income families.

Those income tax cuts mean the state has \$400 million less in revenue *every year*. At the same time, because income tax cuts have to come from somewhere, the state also reduced funding for education and local services. That made property taxes go up for everyone, another instance of working families picking up the slack when the system is manipulated to benefit those at the top.

***Rolling back LePage-era tax cuts for the wealthy will make our tax code more fair, and provide resources necessary to start regaining ground after years of underfunding for schools and communities.***

### **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](http://mainersfortaxfairness.org).*