

# **ACTION ALERT:**

**Repeal the 3 percent surtax**  
**Contact your Legislator TODAY!**

**The time for action is now!** In the very near future – perhaps as early as the end of this week – legislative leaders will vote to accept Maine’s next biennial budget. It is imperative that you contact to your legislators and urge them to remove the 3% surtax and find an alternative funding source for education. With your help, we will repeal the surtax that hurts Maine’s economy and support a strong K-12 education system

**Please visit**

**[http://bipac.net/issue\\_alert.asp?q=maine&issue=tax\\_surchage&parent=MAINE](http://bipac.net/issue_alert.asp?q=maine&issue=tax_surchage&parent=MAINE)**  
**to contact your legislators to ask them to repeal the 3 percent surtax**  
**and find an alternative funding source for education**

**It’s easy and fast ~ and could make the difference when it comes time for legislators to vote!** With your help, we will remove the surtax that hurts Maine's economy while also supporting a strong K-12 education system invested in closing education gaps, implementing proven practices that benefit the state's most at-risk students, and ensuring a career and college ready workforce for our future.

Thank you for your support and help in getting the 3% surtax eliminated.

**Dana F. Connors, President**  
Maine State Chamber of Commerce

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## **BACKGROUND:**

The Maine State Chamber of Commerce is a partner in the Keep Maine Competitive coalition. The Keep Maine Competitive coalition’s primary focus this session is the **repeal of the 3% income tax surcharge** imposed by last fall's referendum question.

Through this citizen's initiative process funded by out-of-state dollars, the voters told the Maine Legislature that they wanted more money for education. While the coalition and Maine’s business community agree that more funding is needed for education, **a significant tax increase is the wrong solution and will have a devastating effect on Maine's economy.**

## **KEY TALKING POINTS:**

- Encourage legislators to remove the very economically-damaging 3% income tax surcharge imposed by referendum Question 2 last fall.
  - Request that legislators support an increase to education funding through the budget process.
  - Under current law, Maine now has the second highest income tax rate in the country at 10.15%. As a result, we have heard from numerous business owners that have moved or are contemplating moving their operations elsewhere to escape the unreasonable tax, and we have joined the coalition to help remove the 3% tax and ensure Maine businesses stay here and continue to produce Maine jobs.
  - Numerous business owners have expressed their intent to move their operations elsewhere to escape this unreasonable tax.
  - Repeal of the 3% tax will ensure Maine businesses stay here and continue to create jobs here.
  - It’s imperative that we save Maine’s economy and don’t make our state any more of an outlier than it already is.
  - Education funding is crucial to economic development, but we must also have a competitive business climate to provide jobs for our graduates.
  - The business community supports a strong K-12 education system that is invested in closing educational gaps, directing funds to proven practices that benefit the state’s most at-risk students, and ensuring a career and college ready workforce for our future.
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