

Committee on Taxation
State House, Room 127
c/o Legislative Information Office
100 State House Station
Augusta, ME 04333

Re: LD 428: *An Act to Prevent Tax Haven Abuse*

Dear Senator Chipman, Representative Terry, and other members of the Committee on Taxation,

My name is Jerry Marx. I am a resident of Portland and Executive Director of the Maine Chapter of the National Association of Social Workers. There are over 5,000 licensed social workers providing health services to residents throughout the state.

NASW Maine supports LD 428, An Act to Prevent Tax Haven Abuse. We see this as a matter of social and economic justice – a matter of fairness when many Maine families and small business owners are struggling. Multinational corporations, many of them doing business in the state of Maine, use offshore tax havens to avoid paying billions of dollars of taxes each year to the American government. More specifically, Maine loses an estimated \$52 million each year due to offshore tax havens. These are dollars that could go to public infrastructure: schools, transportation, affordable housing, parks, and health care.

How do corporate tax havens impact social work? The health and educational services of social workers strengthen Maine’s human capital, its workforce. Yet, a 2019 NASW Maine survey of state social workers revealed that low pay and low reimbursement rates for services are social workers’ two highest concerns. These conditions contribute to social work shortages, long client waiting lists, and other challenges in meeting Maine resident needs, particularly in more rural parts of state. Notably, low reimbursement contributes directly to independent clinicians choosing not to accept MaineCare clients, decreasing access to much needed health services for some of Maine’s most needy residents.

For these reasons, I urge you all to support LD 428 to prevent tax haven abuse and promote tax fairness. Working Maine families pay their fair share of taxes; corporations doing business in Maine should also.

Respectfully submitted,

Jerry Marx, PhD
Executive Director
NASW Maine Chapter
jmarx.naswme@socialworkers.org

References: Institute on Taxation and Economic Policy. (2020). Beacon Report. <https://itep.org/maine-beacon-report-maine-losing-52-million-annually-to-corporations-using-offshore-tax->



[havens/#:~:text=Maine%20Beacon%3A%20Report%3A%20Maine%20losing,using%20offshore%20tax%20havens%20%E2%80%93%20ITEP](#)