

Tuesday May 19, 2026

To: House Committee on Government Operations and Military Affairs

Testimony in Support of the Increase from 1% to 2% for Stowe's Local Option Tax

Hi, my name is Max Levine.

My wife and I moved to Hardwick from Chicago in 2006 for quality of life and to start a family. Within a year we had our first kid. I had two jobs in Stowe and one in Johnson. A year after that we had a mortgage on our first home in Eden. I continued to work in hospitality in Stowe, and with our second child and dog, we moved to Stowe in 2015. In January of 2016, with my wife and my mother, we bought The Bagel on the Mountain Road. We are its fourth owners in its 40ish year history, having had it for 10 years now. It is one of the longest operating restaurants in Stowe. Some might call it an institution. I often feel like a caregiver, trying to keep that institution going.

We struggle to keep our business thriving and profitable. Without question the most significant challenge we face is staffing. Over the last 10 years it has become both more difficult and more expensive. Everyone who works at The Bagel makes over \$20 an hour before deductions. But still, effectively no one can afford to live in Stowe even at \$25-\$30 an hour, unless they find that "unicorn" deal. The few employees who have lived in Stowe fall into one of three categories: those living with their parents (even those over 18), international students working a second job with employee housing, or a few who have been homeless, living in a car, camp ground or hotel. Every other employee I've had has lived outside Stowe with most commuting an hour or more, round trip. We would love to be able to have more staff that are nearby, living and working in our town.

As a homeowner, I have seen our property value more than double in 10 years. Our property taxes have as well. I could not afford to move to Stowe today. When both kids are out of the house there will be questions about whether we can afford to stay. I can tell you that we don't want to leave.

As for this increase in the local option, I think we have a win-win situation. The town needs more money to provide not just for our year-round residents, but

for the 750,000 plus reported visitors to Stowe each year. While their presence is both welcome and necessary to support our local business community and businesses in the surrounding area, it also puts a lot of stress on the infrastructure that we must maintain. This increase will provide a desperately needed additional cash flow to the town. It will also be a net positive to the State through their administrative collection of 25% of the increase.

My primary concerns when considering my support for this increase were: 1, the impact on locals, who are the most likely to be affected by this, and 2, if this increase would have a negative affect on tourism in Stowe. To the first point, I think our community has already demonstrated strong interest in investing in both our town and the State. As locals inevitably spend where they live, with every affected purchase they will be investing just a little more in both Stowe and Vermont. To the second point, I'm not worried. The math is simple. If I spend \$1000 a month on meals, great local beer, and bike parts, the impact of this increase to me is \$10 a month. The same is true for a visitor booking a stay or a second homeowner coming to visit their cherished home away from home. None of us are likely to change our spending behavior over this.

A third concern was the cost to my business bottom line. Credit card processing fees are a very real burden on many if not most businesses that accept them. Again, a little math: If I had \$1 million in credit card sales, a 1% increase would mean an additional \$10,000 being processed. The fees for processing that \$10,000 at 4% would be \$400. I know our business does not do \$1 million in card sales per year — I wish it did. If it did, I would not be worried about an additional cost of \$400 to my bottom line.

The existing 1% local option has generated about \$1.5 million in revenue on average for each of the last 4 years. This proposal would double that revenue stream. It is a significant sum both for the town and the State. It is impactful. It could provide the opportunity to fund things we could not otherwise, and/or to reduce other taxes by an equal amount. I believe it has both a low cost on the individual tax payer and a powerful benefit to both Stowe and Vermont. I'll say it again, win-win.

Our community supports it. I support it. I very much hope you will too.
Thank you.