

RIISING COSTS:

WHAT'S TO BLAME?

The average Maine household paid about **\$4,300 more** for goods and services since Trump returned to office. What's driving the increase?

WAR IN IRAN

- **Gas and heating oil** are hitting Maine households hard. **Gas** is now **\$4.43/gal** and households have already spent an extra **\$706** since the war began. **Heating oil** hit a record **\$6.02/gal**, adding \$1,540 for a household using 700 gallons.
- **Diesel** hit a record **\$6.51/gal** in Maine, up 68% from a year ago, raising costs for trucking, farming, construction, and deliveries
- **Ocean shipping** costs have surged — rates from China to the US are now **four times higher**. **Jet fuel** prices have **nearly doubled**, increasing costs for air travel and freight.
- **Fertilizer** costs jumped **52%**. Farmers are being forced to choose between paying more or using less, threatening yields and pushing up **food prices**
- **Mortgage rates** are up to **7.26%** largely due to war-induced inflation, adding about \$122K in interest over 30 years on a \$400K mortgage

TARIFFS

- **Consumer prices** are up **more than 5.4%** since January 2025, with tariffs adding **\$1,100** to the average family's costs annually
- **New cars** cost about **\$1,200 more**, and used cars about **\$1,300 more**
- **Clothing and food** are both up **more than 4%**
- **Construction materials** cost **15% more**, adding about **\$11K** to the average new home
- **Steel prices** are up 43%, **copper** 53%, and **aluminum** 57%, raising costs on everything from **beer** to **fire trucks** and **manufacturing equipment**

RIGGED TAX CODE

- Congress let **enhanced health care tax credits** expire, more than doubling the average Marketplace premium payments for millions who received them
- Congress **eliminated energy-efficiency tax credits**, including **residential and vehicle clean energy tax credits** worth **\$57M** to Maine households
- **Trump tax cuts** resulted in the richest 1% of households paying \$9K less and middle-income households paying **\$900 more**
- The **tax code rewards wealth over work**. The poorest 20% pay **nearly 60% more of their income** in state and local taxes than the richest 1%
- When **corporations avoid taxes**, everyone else carries more of the cost. Tesla received over \$1B in tax breaks, earned \$5.7B in income, and paid **\$0** in federal income taxes last year

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CORPORATE GREED AND CONSOLIDATION

- **Corporate consolidation** is estimated to cost the average American household **\$3,700 a year**
- **Hospital consolidation** **drives up costs**, and Trump's FTC is fueling more
- **Drug companies** fighting Medicare price negotiations raked in **\$480B** in 2024 and returned \$67B to shareholders, while Americans still pay the world's highest drug prices
- The largest **health insurers** have raked in **\$371B** since the ACA became law, while **Maine premiums rose 30%** in the past year
- **Investor-owned utilities** raised electricity rates **49% more than inflation** over the past three years, even as Trump **promised** to lower power bills
- Decades of weak antitrust enforcement have left four **grocery retailers** with nearly **60% of grocery spending**, crushing small businesses and normalizing higher prices

TRILLIONS FOR THE WRONG THINGS

Instead of easing cost burdens of health care, housing, food assistance, child care, direct care, and renewable energy, taxpayers instead subsidize:

- **\$4.5T** in **tax breaks that mostly benefit the ultra-rich**
- **\$970B** in **interest on a national debt** ballooning from tax cuts for the rich
- **\$282B** for "Trump-class" battleships & **icebreakers** — **not built in Maine**
- **\$269B** on Trump's **mass deportation** program that primarily targets **law-abiding residents**. Maine taxpayers shoulder **\$800M** of that cost
- **\$45B** on the **Iran war** to date, plus **\$73B** requested
- **\$30B** to **bail out US farmers** hurt by Trump's trade wars
- **\$20B** to **bail out farmers in Argentina**, a direct US competitor
- **\$4B** to **cancel offshore wind projects**
- **\$480M** for a **White House ballroom, bomb shelter, and visitor center**
- **\$162M** for Trump **vanity projects**, including a triumphal arch and statue garden

Learn more about what's driving rising costs in MECEP's five-part series, *The Squeeze*: mecep.org/the-squeeze

