



# MARYLAND TECH COUNCIL

TO: The Honorable Anne R. Kaiser, Chair  
Members, House Ways and Means Committee  
The Honorable David Moon

FROM: Richard A. Tabuteau  
Pamela Metz Kasemeyer  
J. Steven Wise  
Danna L. Kauffman

DATE: March 5, 2020

RE: **OPPOSE** – House Bill 1284 – *State Tax Credits, Exemptions, and Deductions – Alterations and Repeal (Tax Modernization Act)*

---

The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **opposition** for House Bill 1284.

House Bill 1284, among other things, repeals the State sales and use tax exemptions provided under current law for the sale of a right to occupy rooms or lodgings operated solely in support of a corporate or any other headquarters, training, conference, or awards facility or campus.

In 2010, the Maryland General Assembly passed *House Bill 855: Sales and Use Tax – Exemption – Lodging at a Corporate Training Center*, sponsored by the Montgomery County delegation, clarifying that corporate training facilities like Lockheed Martin's Center for Leadership Excellence (CLE) are not hotels or motels and are therefore not subject to the state's lodging sales tax. Similar legislation also exempts such training facilities from local lodging taxes. Notably, *House Bill 855 (2010)* passed unanimously in the House of Delegates and overwhelmingly in the State Senate.

Corporate training facilities draw out-of-state employees into Maryland, where the employees' spending contributes to the local economy. A tax code that encourages these facilities strengthens the reputation of Maryland as a location for business investment and helps attract new investment and economic activity. As such, MTC urges the House Ways & Means Committee to give House Bill 1284 an unfavorable report.

**For more information call:**

Richard A. Tabuteau  
Pamela Metz Kasemeyer  
J. Steven Wise  
Danna L. Kauffman  
410-244-7000