



# Maryland Motor Truck Association

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**HEARING DATE:** March 2, 2020

**BILL NO/TITLE:** House Bill 1354: Sales & Use Tax – Services

**COMMITTEE:** House Ways & Means Committee

**POSITION:** **Oppose**

House Bill 1354 would expand the sales tax to several new services, including “art moving or storage services.”

Maryland Motor Truck Association is a not-for-profit trade association that has represented the trucking industry since 1935. Within our organization is a subgroup called the Maryland Movers Conference. This Conference is comprised of over 60 companies engaged in household goods or office moving, and their suppliers.

MMTA is concerned about the expansion of the sales and use tax to “art moving or storage services” because:

- There is no definition in the legislation explaining what qualifies as “art”. That is a broad term that can include paintings, photographs, sculptures, or any number of items that are open to wide interpretation.
- Moving and storage services are not charged by the piece. If I am moving a consumer’s household goods the consumer pays a single price for the moving service based on the entire quantity of goods. There is no separate price for the movement of “art”. A similar problem exists for art “storage”. As such, it is unclear what the amount to base the tax on would be.
- Sales tax is already charged on local moves based on the price of the materials used in the move (packing tape, boxes, etc.)
- If the move occurs across state lines, there is strong potential for Federal preemption as Congress has repeatedly made clear that interstate commerce cannot be regulated by the states.

For further information, contact: Louis Campion, (c) 443-623-4223