

January 30, 2023

The Honorable Vanessa Atterbeary
Ways & Means Committee
House Office Building, Room 131,
6 Bladen St., Annapolis, MD, 21401

RE: Opposition HB 46 Corporate Income Tax - Throwback Rule and Combined Reporting

Dear Chair Atterbeary:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 46 Corporate Income Tax - Throwback Rule and Combined Reporting**. MBIA **Opposes** the Act in its current version.

This bill would require that sales of tangible personal property be counted in the numerator of the sales factor. MBIA opposes this measure because the addition of out of state entities as taxable institutions will drive up the costs of goods imported into Maryland which in turn will drive up costs to consumers in numerous industries throughout the state. During the current economic uncertainty, we feel that climbing prices would be counterproductive to the attempts to recharge the economy in the future and make it that much harder to business that are the engine of the state economy to function.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Ways & Means Committee