

MARYLAND RETAILERS ASSOCIATION

The Voice of Retailing in Maryland



**HB445 Sales and Use Tax - Tax-Free Period - Winter
Weather Shopping for Students
House Ways and Means Committee
February 16, 2023**

Position: Favorable

Background: HB445 would establish an annual tax-free period for winter clothing items.

Comments: The Maryland Retailers Association (MRA) strongly supports the establishment of an annual tax-free week for winter clothing items in January. Sales tax holidays for certain items provide powerful promotional opportunities for businesses in Maryland and provide relief to many families with carefully planned budgets. These tax-free weeks encourage consumers to shop at local brick-and-mortar stores, supporting businesses that employ Marylanders and are invested in their communities. Exempting winter coats, shoes, and accessories from the sales tax for a full week in January will provide households with an opportunity to save money on necessary purchases for the cold weather season.

MRA has historically partnered with the Office of the Comptroller to promote the annual back-to-school tax-free week in August and Shop Energy Weekend in February and would continue that collaboration to ensure the success of an additional tax-free period in January.

Thank you for your consideration. We would urge the Committee's favorable vote on HB445.