

I oppose House Bill 1515. As someone familiar with the financial challenges faced by small business owners, I understand the impact even a small increase in expenses can have. The proposed tax on services will burden individuals and businesses in our state. It will lead to more closures and result in wealth leaving our state. Moreover, successful individuals may choose to relocate to areas where success is more feasible. For those who remain, there may be a greater reliance on government assistance programs.

Taxing expenses, as proposed in this bill, presents a significant challenge compared to taxing income. While individuals and businesses can plan for income taxes, taxing expenses leaves them vulnerable to unexpected financial burdens. Many could find themselves in more debt with high interest rates, struggling to cope with the added financial strain.

Small businesses, especially sole proprietors, often rely on outsourced services to run their operations efficiently. These businesses are already subject to income taxes, assuming they are profitable. However, adding another tax and the need for additional services to ensure compliance could overwhelm those already struggling to stay afloat.

Our elected officials should focus on policies that support economic growth and enable businesses to thrive. House Bill 1515 does the opposite, threatening to hamper our state's economic development and burdening Marylanders with additional financial stress.

I urge our legislators to listen to the concerns of their constituents and reject this harmful bill. Our state's prosperity depends on it.