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Testimony Submitted Ways and Means Committee

HB1515 – SALES and USE Tax – Rate Reduction and Services Oppose

March 11, 2024

Coale's Automotive is a small business that has operated in Anne Arundel County for over 50 years. Coale's provides automotive and truck repairs services. This bill would place a 5% tax on labor services related to repairs and maintenance. We do not support this new tax and believe it would negatively impact our customers and our business.

The Automotive Business, like many businesses has suffered economically since the 2020 COVID epidemic. We continue to see customers who have to make economic decisions as to whether repair or get maintenance work done on their vehicle when they also have rising rent, food and other life expenses. We believe placing a new tax on service industries will place a new burden on lower and middle income individuals and families. Such a tax would increase their automotive repair bill and place a higher strain on their budgets.

We ask that you give this bill an unfavorable finding.

Mike Coale Owner