



NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – www.NFIB.com/Maryland

TO: House Ways and Means Committee

FROM: NFIB – Maryland

DATE: February 8, 2024

RE: **OPPOSE HOUSE BILL 455** – Comptroller – Electronic Tax and Fee Return Filing Requirements

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America’s small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland’s small businesses, NFIB opposes House Bill 455 – legislation that requires the electronic filing of various fees and taxes.

According to the Comptroller’s Office, HB455 will require small businesses to file *and* pay taxes and fees electronically. NFIB is concerned this will have an adverse effect on small business owners who pay via check. While there is no express fee or penalty associated with failing to pay electronically, the concern is future legislation will create them.

Many small business owners prefer to pay taxes and vendors with a check. Remember, these owners are very often their own accountants and are solely responsible for bookkeeping. Electronic payments, especially when made with a credit card, come with associated fees – very often a percentage of the total amount. These fees can add up quickly for a small business that owes at the end of the year.

Should the legislature wish to move forward with HB455, it should consider extending the “small business” exemption found in lines 22-23 on page 4 to include businesses organized as pass-through-entities. Many small businesses are organized as such.

For these reasons, **NFIB opposes HB455** and requests an unfavorable report.