



DENBURG & LOW, PA

*CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS*

6000 Metro Drive
Suite 150
Baltimore, Maryland 21215
voice: 410/539-7100
fax: 410/539-7105
e-mail: info@denburg.com

WASHINGTON DC OFFICE:
1155 Connecticut Avenue, NW
Suite 300
Washington, DC 20036
202/785-5600

Direct e-mail: jdenburg@denburg.com

The Honorable Delegate Moon
Ways and Means Committee
Maryland General Assembly
Annapolis, MD 21401

RE: Strong Opposition to HB 1554/SB 1045 – Tax on Tax and Accounting Services

Dear Delegate Moon,

I am writing to express my strong opposition to HB 1554/SB 1045, which seeks to impose a tax on tax preparation and accounting services in Maryland. This proposed legislation would have detrimental effects on businesses, increase costs for individuals and enterprises, and put Maryland at a significant competitive disadvantage compared to neighboring states.

Most of our CPA firm tax preparation clients are located in DC and Virginia which is why we have a DC office. I own the firm and pay all the resulting income taxes to Maryland and have been for forty years. Most of my competition is from CPA firms based in DC and VA. From an economic viewpoint my firm will be placed at a significant financial disadvantage to compete.

As a CPA firm business owner, I am deeply concerned about the consequences this bill would have on Maryland's economy as well as my own business. Accounting and tax services are essential for businesses to comply with state and federal tax laws, ensure financial stability, and maintain accurate records. Placing an additional tax burden on these services will not only increase the cost of doing business but will also create unnecessary financial strain on small businesses and individuals who rely on these services for compliance and financial planning.

Furthermore, this tax would make Maryland less attractive for businesses considering establishing or maintaining operations in the state. Neighboring states such as DC, Virginia and Delaware do not impose such taxes, which could drive businesses and individuals to seek tax and accounting services outside Maryland, leading to a loss of revenue for in-state firms and professionals. Additionally, this policy could discourage investment and entrepreneurship, as business owners may view Maryland as an increasingly expensive and less business-friendly environment.

website: www.denburg.com

Members of:

The American Institute of
Certified Public Accountants

The Maryland Association of
Certified Public Accountants

Greater Washington Society of
Certified Public Accountants

The proposed tax on accounting and tax services is not just a burden on professionals in the industry; it is an unnecessary cost that will be passed down to consumers, including individuals and small businesses already struggling with economic uncertainties. Instead of imposing additional financial barriers, Maryland should focus on policies that support businesses, encourage economic growth, and enhance the state's competitiveness.

I urge you to oppose HB 1554/SB 1045 and protect Maryland businesses and residents from this harmful tax. Thank you for your time and consideration. I appreciate your leadership and your commitment to fostering a prosperous economic climate in our state.

Sincerely,

DENBURG & LOW, PA
Certified Public Accountants

A handwritten signature in blue ink, appearing to read "Jay L. Denburg", with a stylized flourish at the end.

Jay L. Denburg, CPA