

Written testimony

I am writing as a CPA and a controller at a law firm in Maryland to express my strong opposition to SB 1054. This bill would impose a tax on professional services, which would directly harm Maryland's small businesses and economy.

Although my firm's services are legal services and exempt under this current proposal, this puts us at a competitive disadvantage by increasing the costs we incur for professional services, such as tax preparation, payroll and IT services. We compete against law firms across the country, and because large companies make up most of our clientele, the fees we can charge are largely capped. One of our biggest challenges are rising costs in a high cost of living area. This bill would put us at a significant risk of not continuing as a Maryland business, where we currently employ 23 Marylanders, pay hundreds of thousands of dollars to local businesses, and pay both real estate and personal property tax on our office space.

If enacted SB 1054, it would:

- **Increase costs for small businesses** already struggling with inflation and economic uncertainty.
- **Drive business out of Maryland** as companies seek services in states without this tax.

We need to protect Maryland's businesses, jobs, and economy and SB 1054 would not do that.

Thank you for your time and consideration.

Sincerely,
Sarah Baca-Asher
Edell, Shapiro & Finnan, LLC