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Senate Bill 1045

Date: March 10, 2025

Committee: Senate Budget and Taxation Committee

Position: Opposed (Unfavorable)

Dear Chairperson Guzzone and Members of the Committee,

I am writing to express my strong opposition to Senate Bill 1045, which will place an undue burden on small businesses. While large corporations may have the resources to handle additional compliance costs, small business owners—who are already struggling to navigate complex tax and regulatory requirements—will be hit the hardest.

Unlike larger corporations with in-house legal and accounting teams, small businesses often rely on limited resources to stay compliant. This new tax would add yet another layer of complexity, forcing them to spend more time and money just to follow the rules. Many will have to hire additional help from outside professionals or divert resources away from growing their businesses—costs they simply cannot afford.

Beyond just hurting business owners, this tax will increase costs for everyone. Small businesses won't be able to absorb the added expenses, meaning they will have no choice but to pass them onto consumers.

Maryland's small businesses are the backbone of our economy. Instead of imposing new burdens, lawmakers should be looking for ways to support them. I urge you to reject this proposal before it does serious damage to small businesses and the communities they serve.

Sincerely,

Glen R. "Sonny" Peak III, CPA

President

Sonny Peak CPA, LLC