



The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Dear Chair Guzzone,

The Calvert County Chamber of Commerce is an organization that represents almost 400 businesses, in the Southern Maryland region, which collectively supports nearly 14,000 employees working together to develop a productive climate in which to conduct business. The Chamber represents small and large businesses, however more than 70% of our membership is comprised of small businesses. For our members, this proposed taxable business services tax would be a direct hit to their bottom line and for some it could be detrimental to their very existence. The domino effect of job losses, a surge in consumer pricing and reduced opportunities for wage growth could be experienced by all Marylanders.

On behalf of our members, we submit the following comments highlighting our **OPPOSITION to SB 1045**:

- The proposed 2.5% services tax is not just a business tax – it is a tax on growth. This new tax is a dollar not spent on hiring, innovation, or growth.
- Small businesses are already operating on thin margins. Adding a new 2.5% tax to essential services (i.e. accounting, marketing, and IT support) could be the difference between profit and loss.
- Our neighbors Virginia and Delaware do not tax business services. Why would Maryland make itself less competitive?
- More burden to the cost of doing business in Maryland encourages businesses to drive across state lines.

We are asking leadership to create and promote public policies, and competitiveness that will sustain economic growth for Maryland businesses, employees, and families. Therefore, as an advocate for our members and the business community, we are submitting this letter in **OPPOSITION to SB 1045**.

We appreciate your time and consideration.

Sincerely,



Kathryn Maney
President/CEO

cc: The Honorable Vanessa E. Atterbeary
Calvert County Delegation
Board of Directors, Calvert County Chamber of Commerce
The Calvert County Chamber of Commerce