



WICOMICO COUNTY, MARYLAND

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WICOMICO COUNTY COUNCIL

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March 7, 2025

Budget and Taxation Committee
Attn.: Honorable Senator Guy Guzzone, Chair
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: Opposition to Senate Bill 1045- Sales and Use Tax Expansion

Dear Honorable Chairman Guzzone and Committee Members,

We are writing to express our strong opposition to Senate Bill 1045, which seeks to expand Maryland's sales and use tax to a broad range of business-to-business (B2B) services. This proposed legislation will have severe economic consequences for Maryland businesses, particularly small businesses that rely on these essential services to operate efficiently and competitively.

If enacted, SB 1045 would impose a tax on critical services such as accounting, payroll, landscaping, technology, and consulting. These are not luxury expenses but necessary operational costs for businesses of all sizes. By increasing the financial burden on Maryland businesses, this bill will discourage investment, stunt economic growth, and ultimately make Maryland less competitive compared to its neighboring states.

The additional costs imposed on business owners will lead to higher prices for consumers, reduced hiring, and a slower economy. Furthermore, passing this bill sets a dangerous precedent for future tax increases on other essential business services. While it may provide a short-term revenue boost, the long-term impact on Maryland's economic vitality could be detrimental.

We urge you to oppose SB 1045. Maryland must remain competitive and business-friendly, not drive businesses away with additional taxation on fundamental services.

Sincerely,

WICOMICO COUNTY, MARYLAND



John T. Cannon, Council President

cc: Wicomico County Council