

Date: March 10, 2025

To: Committee Chairs and St. Mary's County Delegation

Budget and Taxation Committee:

Chair - Guy Guzzone - guy.guzzone@senate.state.md.us

Vice Chair - Jim Rosapepe - jim.rosapepe@senate.state.md.us

St. Mary's Senator

Senator Jack Bailey

jack.bailey@senate.state.md.us

The St. Mary's County Chamber of Commerce and its Government Affairs Committee are currently tracking several bills this 2025 legislative session. Below is a summary of recommendations from the Chamber for the following bills:

[HB1554/SB1045](#) - Sales and Use Tax - Taxable Business Services – Alterations

Altering the definitions of "taxable price" and "taxable service" for the purposes of certain provisions of law governing the sales and use tax to impose the tax on certain labors and services if both the provider of the service and the buyer are business entities; and specifying the rate of the sales and use tax for certain labor and services.

POSITION: OPPOSE IN THE STRONGEST POSSIBLE TERMS. The Chamber believes it is self-evident that these bills would cost businesses tens of thousands of dollars annually and would be potentially catastrophic to small businesses. Additionally, these services are not taxed by Delaware and Virginia, which would put Maryland businesses at a significant disadvantage when competing against businesses in those states.

Submitted on behalf of the St. Mary's Chamber of Commerce Board,



Christine L. Bergmark, PhD
CEO/President

Cc: St. Mary's Board of County Commissioners
Commissioners of St. Mary's County Assistant Attorney, John Houser
Dave Weigel, Chair, St. Mary's Chamber Government Affairs
Jimmy Hayden, Chair, St. Mary's County Chamber of Commerce Board