



March 10, 2025

The Honorable Guy Guzzone, Chair  
Budget and Taxation Committee  
3 West Miller Senate Office Building  
Annapolis, Maryland 21401

RE: Opposition of HB1554 - Sales and Use Tax - Taxable Business Services - Alterations

Chairman Guzzone and Members of the Committee,

My name is Matt Libber, and I am the Legislative Committee Chair for the Maryland Tourism Coalition (MTC). I am writing to you today to express MTC's opposition to Senate Bill 1045. The Maryland Tourism Coalition is a trade organization with members representing all areas of tourism in the State of Maryland. Our mission is to support businesses and organizations that cater to the tourism industry through education, networking, and advocacy. We are deeply concerned about the harmful impact this bill would have on small businesses, entrepreneurs, and the overall economic competitiveness of our state.

The majority of tourism business in Maryland are small businesses. Small businesses are the backbone of Maryland's economy, providing jobs, fostering innovation, and contributing to local communities. Imposing a sales tax on services would disproportionately burden these businesses, many of which operate on thin margins. Unlike larger corporations, small businesses often cannot absorb additional costs and would be forced to either pass these expenses on to consumers, making their services less affordable or cut jobs and stifling investment growth.

Additionally, this tax would drive businesses and skilled professionals out of Maryland in search of more favorable economic conditions. Service providers, such as consultants, accountants, IT specialists, and many others, may relocate their businesses to neighboring states with more competitive tax structures, leading to job losses and reduced revenue for Maryland in the long run.

Rather than introducing new tax burdens, I urge you and your colleagues to explore alternative solutions that support small businesses, encourage entrepreneurship, and sustain economic growth. Maryland should be a place where businesses thrive, not one that pushes them away with excessive taxation.

I respectfully ask you to oppose this bill and advocate for policies that promote a fair and competitive business environment in Maryland. We ask that the Committee provide an unfavorable report for this bill.

Respectfully submitted,

A handwritten signature in blue ink that reads "Matt B Libber".

Matt Libber  
Legislative Chair  
Maryland Tourism Coalition