

**Subject: Opposition to HB 1554 / SB 1045 – Urging You to Vote NO**

Dear Delegate Moon,

I hope this email finds you well. I am writing to express my strong opposition to HB 1554 / SB 1045 and to urge you to vote NO on this legislation.

I strongly encourage you to oppose HB 1554 / SB 1045 or any other proposal to extend the sales tax to professional services. In challenging economic times like these, the Maryland government should focus on fostering a climate that encourages economic growth and job creation. Extending the sales tax to professional services would harm economic growth, raise costs, cripple job creation and make Maryland less competitive. This bill would not only impose a tax on essential services but also introduce new compliance burdens.

Professional services can be rendered from anywhere. Our neighboring states and even international professional service providers don't tax these services. If this bill passes, businesses in Maryland will be at a significant disadvantage, with many clients likely to turn to service providers in neighboring states, like Virginia, where these services are not subject to sales tax. This would disproportionately harm Maryland-based Certified Public Accounting firms.

As an example, I have a significant real estate client located in Pennsylvania. If this bill passes, it is very likely they will seek accounting and tax services from firms outside of Maryland to avoid the new tax. The real estate industry is already struggling due to high interest rates, which drive up their costs. Imposing a tax on accounting and tax services would only worsen these difficulties, and our clients may very well turn to providers outside of Maryland.

In conclusion, I believe a sales tax on professional services will stifle business growth, raise costs, create compliance challenges, and make Maryland less competitive.

I ask that you carefully consider these concerns and vote NO on HB 1554 / SB 1045. I appreciate your time and service to our community and look forward to your response.

Sincerely,

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