



Ways and Means Committee
130 Taylor House Office Building
Annapolis, MD 21401

Good afternoon,

My name is Ronaldo J. Sellers, and I serve as Government Relations Chair for AAF Baltimore (AAFB). I am a professional media producer and voice actor with over 21 years of experience in the industry. I am submitting this testimony on behalf of businesses, creatives, and entrepreneurs who rely on advertising to drive growth and opportunity.

We strongly oppose the proposed 2.5% sales tax on advertising services outlined in HB 1554 and SB 1045, as it poses serious risks to Maryland's economy, businesses, and workforce.

First, this tax will drive businesses to neighboring states like Virginia, Pennsylvania, and Delaware, which do not impose similar taxes. Clients will shift their spending elsewhere, leading to revenue loss and job cuts in Maryland. This puts local agencies—particularly small ones—at a disadvantage, undermining their ability to compete and grow.

Second, history shows us the dangers of this approach. In 1987, Florida's advertising tax led to the loss of 14,000 jobs and was repealed within six months because the economic damage was too severe. Maryland risks experiencing the same adverse effects on our business community and economy.

Third, this tax will have a ripple effect across Maryland's economy. Businesses in all sectors rely on advertising to grow, and higher costs will reduce marketing budgets, which will slow economic activity and stifle innovation across the state.

Finally, the administrative burden this tax would create is too great, especially for smaller agencies that already operate with limited resources. The complexity of compliance would divert attention and resources away from growing businesses and serving clients, further hindering their ability to thrive.

This tax weakens Maryland's economy. Instead of fostering growth, it pushes businesses out and harms job creation. I urge this committee to reject this bill and pursue revenue solutions that support business growth without placing unnecessary burdens on Maryland's economy.

Thank you for your time and consideration.

Sincerely,

Ronaldo J. Sellers

Government Relations Chair

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