

Chairwoman Vanessa E. Atterbeary et. al
House Ways & Means Committee
Maryland General Assembly
Annapolis, Maryland 21401

RE: OPPOSE HB 1554, Sales and Use Tax - Taxable Business Services - Alterations

Dear Chairwoman Atterbeary and House Ways & Means Committee:

As a CPA serving many small business owners, I urge you to oppose House Bill 1554. I have been a Maryland resident all of my 63 years and have watched the business climate grow increasingly difficult for small business owners.

A 2.5% sales tax may not seem like it would impact small businesses much, but it would add another level of compliance complexity requiring owners to track, collect and submit the taxes while still trying to pay their employees and make owning a business in Maryland worth the extra time and costs incurred.

Maryland businesses would be at a disadvantage against businesses in neighboring states that do not impose such a tax. Maryland small businesses would have to either swallow the additional taxes paid to other businesses or raise prices for their customers at a time when businesses are already struggling with inflationary pressures and businesses in neighboring states would have no such burden.

Instead of further burdening small businesses, it would be wise to listen to business owners and those serving business owners and make Maryland a truly business-friendly state by cutting unnecessary regulations and freeing entrepreneurs to build their businesses. When businesses thrive, tax revenues increase as more residents are employed.

I hope you consider concerns from a community of professionals serving small businesses and vote "no" to House Bill 1554.

Thank you.

Sincerely,

Lesley Lookingbill, CPA
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