

Delegate Moon and the House Ways & Means Committee,

I strongly oppose HB 1554 and the negative effects it will have on Marylanders. I am a CPA, and partner in one of the last Mid-sized independent public accounting firms that Maryland has left. HB 1554 will negatively accountants and small businesses in our state. Small businesses rely on CPA firms for their accounting and tax compliance needs. Since covid, the cost for these services have greatly increased for small businesses due to regulation, talent shortages and the entry of national CPA firms into our market. Increasing the cost of accounting services even more will hurt business for both the CPA firm and their small business client, with the end result leading to higher prices for their customers...the MD taxpayers. By making these services more expensive in MD than all of our surrounding states will put MD CPA's and other accounting professionals at a competitive disadvantage. When work is lost to out of state firms, MD firms will be forced to downsize staffing or not be able to pay the salary rates that out for state firms will be able to offer, thus eroding MD's tax base. Other states FL and MI have tried similar taxes, only to have to repeal them shortly after because they caused backlash, opposition and chaos. Also the proposed law, magically excluded legal services from this new tax. It's obvious that lobbyists for the lawyers have substantial influence and control of our politicians in our State.

I hope you will not advance this terrible legislation, as if it passes MD loses revenue, MD loses jobs, and MD losses businesses.

Sincerely,

Blake Ulam, CPA

Partner – Weyrich Cronin & Sorra