



March 10, 2025

RE : House Bill 1554

Dear Rep Vanessa Atterbeary

I am writing to OPPOSE House Bill 1554/Senate Bill 1045: Sales and Use Tax – Taxable Business Services – Alterations. I am the CFO of Mid Atlantic Lifespan, a non-profit serving the Communities that provide care to the seniors of our state. We provide education to the staff , we have group purchasing programs, provide advocacy and manage educational grant programs. Additionally, we manage 2 other associations within the senior care industry.

This bill would affect our business significantly. We run a very tight budget and this tax would cost our association over \$10,000 in additional taxes. It would also increase our staff time, which is already stretched very thin. Our non-profit 501C3, the Beacon Institute would even be impacted as we provide some accounting services to the other associations and therefore, we would need add tax to those services, open tax accounts and monitor tax payments- something our 501 C3 has never been concerned with.

In addition to the impact on our companies, it would have a very negative consequence to the businesses in Maryland. Most of our businesses are small just as we are and most have no idea that this tax is looming. They don't have the time to testify as they are trying to run their businesses but I assure you it will create a very negative impact on them as well.

After researching, there are so very few states that impose services tax. As our state is trying to become more "business friendly" , this tax will do just the opposite. It will detract from Maryland at a time where we need theses businesses. Continuing to tax Marylanders instead of looking for ways to bring industry to our state is the short term answer to a bigger long term problem.

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