WICOMICO COUNTY, MARYLAND
P.O. BOX 870
SALISBURY, MARYLAND 21803-0870
410-548-4696
FAX: 410-548-7872

WICOMICO COUNTY COUNCIL
John T. Cannon, President/At-Large
Jeff Merritt, Vice-President/District #2
James Winn, At-Large
Shanie Shields, District #1
Shane T. Baker, District #3

Josh Hastings, District #4
Joe Holloway, District #5
Laura Hurley, Council Administrator

March 7, 2025

Ways and Means Committee
Attn.: Honorable Delegate Vanessa E. Atterbeary, Chair
130 Taylor House Office Building
Annapolis, MD 21401

     RE: Opposition to House Bill 1554- Sales and Use Tax Expansion

Dear Honorable Chairwoman Atterbeary and Committee Members,

We are writing to express our strong opposition to House Bill 1554, which seeks to expand Maryland's sales and use tax to a broad range of business-to-business (B2B) services. This proposed legislation will have severe economic consequences for Maryland businesses, particularly small businesses that rely on these essential services to operate efficiently and competitively.

If enacted, HB 1554 would impose a tax on critical services such as accounting, payroll, landscaping, technology, and consulting. These are not luxury expenses but necessary operational costs for businesses of all sizes. By increasing the financial burden on Maryland businesses, this bill will discourage investment, stunt economic growth, and ultimately make Maryland less competitive compared to its neighboring states.

The additional costs imposed on business owners will lead to higher prices for consumers, reduced hiring, and a slower economy. Furthermore, passing this bill sets a dangerous precedent for future tax increases on other essential business services. While it may provide a short-term revenue boost, the long-term impact on Maryland's economic vitality could be detrimental.

We urge you to oppose HB 1554. Maryland must remain competitive and business-friendly, not drive businesses away with additional taxation on fundamental services.

Sincerely,

WICOMICO COUNTY, MARYLAND

John T. Cannon, Council President

cc: Wicomico County Council