



March 7, 2025

To Whom It May Concern:

We are writing in opposition of HB1554/SB1045.

In a climate that is already challenging for business, this adds yet another tax for small businesses in our State. Why do we oppose this?

- Mounting regulations and taxes on business hurt business growth. A new 2.5% tax is a tax on growth.
- This unnecessary tax means a direct hit to the bottom line for businesses. Operating a business profitably is difficult and profits should be reinvested rather than taxed.
- Our neighboring states – Virginia and Delaware – do not have this tax. We need to be more competitive in the business arena.
- These costs will inevitably be passed on to consumers. Businesses have no choice but to pass along taxes and regulatory costs to consumers, which, in turn, hurts Maryland's overall economy.
- Many small businesses do not have the margins to absorb additional taxes without negative changes such as decreased workforce, less training, etc.
- This is going the WRONG direction for the business climate in Maryland. Please foster businesses and make it more welcoming rather than continue to tax and regulate.

Thank you for your time and consideration. Please vote NO to HB1554/SB1045.

Regards –

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