

# MARYLAND RETAILERS ALLIANCE

*The Voice of Retailing in Maryland*



## HB139 Sales and Use Tax - Tax-Free Day - Veterans' Day

**January 29th, 2026**

**Position: Favorable**

MRA represents thousands of retail locations across Maryland, including grocery stores, pharmacies, big-box retailers, and small, independent businesses. Our members are proud to serve veterans and military families in every community across the state, and we strongly support policies that recognize their service in meaningful and practical ways.

HB139 provides a thoughtful and targeted benefit to veterans while maintaining important safeguards for effective administration and compliance. By limiting the exemption to a single day—Veterans Day—and establishing a reasonable price cap, the bill offers a clear and manageable framework for both retailers and the State. This structure mirrors other successful tax-free initiatives and helps ensure minimal disruption to normal retail operations.

Importantly, the bill also includes provisions that protect both the State and vendors by requiring individuals seeking the exemption to provide evidence of eligibility at the point of sale. Clear eligibility standards are critical for frontline retail employees, who must apply tax law accurately and consistently in real time. MRA appreciates the inclusion of this requirement, as it reduces confusion and compliance risks for businesses.

Additionally, granting the Comptroller discretion to suspend the tax-free day, if necessary, provides flexibility to address unforeseen administrative or fiscal challenges. This authority ensures the program can be implemented responsibly and adjusted if circumstances warrant, which is especially important in the early years of a new exemption.

From a retail perspective, HB139 is also likely to encourage increased consumer activity on November 11, benefiting local businesses while honoring veterans through a tangible expression of appreciation. Many retailers already participate in Veterans Day recognition efforts, and this exemption complements those initiatives without imposing undue burdens.

For these reasons, the Maryland Retailers Alliance supports HB139 and respectfully urges the Committee to issue a **favorable report**.

Thank you for the opportunity to provide testimony and for your continued commitment to Maryland's veterans and the businesses that serve them.