



A Union of Professionals
AFT-Maryland

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**Written Testimony from the AFT-Maryland
SB 2– Digital Advertising Gross Revenues - Taxation
Senate Budget and Taxation Committee
January 29, 2020**

SUPPORT

Good afternoon Mr. Chair and members of the Senate Budget and Taxation Committee. On behalf of the 20,000 state, municipal, and public education workers residing in Maryland, AFT-Maryland enthusiastically calls for a favorable report for SB 2, the bill that would fairly tax digital advertisements that appear in the state.

As the statewide organization for the Baltimore Teachers Union, as well as unions representing thousands of state employees, AFT-Maryland supports bills that modernize and bring our tax code to meet the realities of technological change to our state's economy. Simply put, our members—as educators and professionals employed by the state to provide vital services to its residents—are expected to provide these services to residents in a digital age; those advertising businesses that have flourished in this changed economic setting also be asked to pay their fair share?

Members of the committee: As the recommendations of the Kirwan Commission have demonstrated, our state is facing important challenges in providing the education our students deserve. In order to overcome these challenges, we must take the initiative to pass this bill and modernize our tax code to account for an increasingly digitized economy. In addition, this bill will create a more equal playing field with respect to tax code and allow undertaxed digital corporations to finally pay their fair share.

As the Fiscal note for this bill demonstrates, passage of this bill will create billions of dollars in revenues needed to fund the sweeping policy recommendations of the Kirwan Commission. It is for these reasons that we ask that this committee give a favorable report to SB 2, Digital Advertising – Gross revenues – Taxation.