



SB511- SUPPORT

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BALTIMORE BICYCLE WORKS

SB511- Corporate Income Tax – Combined Reporting and Subtraction Modification for Combined Groups of Corporations- SUPPORT

Budget and Taxation

February 3, 2021

Dear Chair Guy Guzzone and Budget and Taxation Committee Members,

Maryland's current tax code is unfair, giving advantages to large, multi-state corporations that pay no tax on income made in our state. As a Maryland business owner, I pay taxes on my business income and so should multi-state companies based in Maryland like Under Armour and Marriott.

Being in the bicycle industry means we're already competing with large multi-state entities like Target and REI which have no base in our community. These companies massively benefit from tax loopholes all the while providing substandard versions of our services without paying their fair share of taxes. It makes sense that these multi-state corporations that are in the same business should pay their fair share in taxes like we do.

Maryland is leaving billions on the table by failing to close these corporate loopholes while local business owners are bearing the burden of funding important public services like schools and infrastructure. We can do better by closing corporate tax loopholes. Maryland should join the 24 states (and the District of Columbia) that have combined reporting, requiring multi-state businesses to pay state taxes on income.