

# BRIAN GRIFFITHS

February 17, 2021

The Honorable Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
House Office Building, 6 Bladen St.  
Annapolis, MD 21041

Dear Mr. Chair and members of the Committee,

I write to you today in **opposition** to **Senate Bill 787**, Digital Advertising Gross Revenues Tax – Exemption and Restriction.

The synopsis of the bill reads that bill would prohibit “a person who derives gross revenues from digital advertising services in the State from passing on the cost of the tax to a certain customer in a certain manner.” Furthermore, the text of the bill states that “a person who derives gross revenues from digital advertising services in the state may not directly pass on the cost of the tax imposed under this section to a customer who purchases the digital advertising services by means of a separate fee, surcharge, or line-item.”

So what exactly is the point of this section of the bill? The sponsors intend that digital service providers will be unable to directly pass on the cost of this tax in a manner that clearly identifies the origin of the fee. The sponsor does not want the origin of this new tax, in this case this General Assembly, to be known by the customer.

The majority of the members of both houses of this General Assembly voted for the Digital Advertising Gross Revenues Tax in 2020 and again this year in overriding Governor Larry Hogan’s vetoes. Seeing as the sponsor and other members gleefully voted to impose this tax on Maryland’s working families, how can this body deny them the opportunity to be recognized for the courage of their convictions?

This bill is being portrayed as a mechanism to avoid the cost of the tax from being passed onto consumers. I’m not entirely sure who the sponsors are fooling here: digital service providers will merely increase the cost of their services at a proportional level to cover the cost of their tax. As always, this body will have raised taxes on businesses only for Maryland’s working families to be stuck with the check.

This bill ultimately exists only so members of the General Assembly who voted for yet another tax on Maryland’s working family to avoid being blamed for yet another tax on Maryland’s working families. I urge you all to **vote no** on **Senate Bill 787**.

Respectfully



Brian Griffiths