



TESTIMONY PRESENTED TO THE HOUSE WAYS AND MEANS COMMITTEE

**HOUSE BILL 1200 - DIGITAL ADVERTISING GROSS REVENUES TAX –
EXEMPTION AND RESTRICTION**

Sponsor – Delegate Luedtke

February 26, 2021

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports House Bill 1200, which prevents a business that collects revenues from digital advertising services from passing the cost of the digital advertising gross revenues tax to its customers in a line-item manner. In addition, the bill clarifies that broadcasters and news media entities are not subject to the digital advertising gross revenues tax.

The GBC's *2021 Maryland General Assembly Legislative Priorities* advocate for policy, funding, and regulatory solutions to accelerate economic recovery with an emphasis on support for small and minority-owned businesses.

Without the change proposed in HB 1200, there is concern that businesses who collect revenues from digital advertising services will simply pass the cost along to already struggling Maryland businesses, rather than absorb the cost of the tax.

In order for Maryland businesses to recover from the economic downturn caused by the COVID-19 pandemic, it is incumbent upon the legislature to limit additional burdens imposed on small and minority-owned businesses, including the pass-down of the digital advertising gross revenues tax.

For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 1200.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

111 South Calvert Street • Suite 1700 • Baltimore, Maryland • 21202-6180

(410) 727-2820 • www.gbc.org