



HB 1019 Sales and Use Tax - Vendor Collection Credit
House Ways and Means Committee
Position: SUPPORT
February 25, 2021

Background: Authorizing a certain vendor credit for the collection and payment of the sales and use tax; specifying eligibility requirements for and the amount of the credit up to \$1,500 for each return; prohibiting a vendor from claiming a certain credit if another credit is claimed; authorizing an eligible vendor to claim the credit retroactively for certain months; making the Act an emergency measure; and terminating the Act on January 31, 2022.

Written Comments: The Maryland Retailers Association supports policies that reward timely and full sales tax return filings that result in a vendor collection credit. This small business targeted credit will reduce the amount of money a business sends to the Maryland Comptroller with their sales tax return.

We would also note the legislation caps the amount of the credit and does not allow other credits to be taken simultaneously. With small businesses having experienced significant operational struggles over the past year, we also support the limited retroactivity for these filings as well.

With these concerns in mind, we respectfully ask for a favorable report on HB1019.

