



CHARMINGTON'S

HB0172- SUPPORT

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HB0172- Corporate Income Tax – Combined Reporting and Subtraction Modification for Combined Groups of Corporations- SUPPORT

*Ways & Means Committee
January 28, 2021*

Dear Chair Anne R. Kaiser and Ways and Means Committee Members,

Thank you and your committee for your consideration of this important issue that will mean so much to Maryland businesses!

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.

Charmington's is a small cafe in Baltimore City that has served its community since 2010, providing food and communal space for neighbors, good jobs for our employees, and taxpayer funding that supports Baltimore and the state at large. We're sensitive to the needs of our community because we *are* part of the community.

During the COVID-19 pandemic, we've adapted again and again despite lack of access to many of the resources large corporations have to buffer lost income, create delivery systems, or manage online sales. One of the biggest threats to our business is the fact that so many of our community members are also suffering financially due to the pandemic. A healthy tax base is absolutely necessary to the functioning of our communities, right now to lift an unprecedented weight off our public service systems, and moving forward to encourage thriving communities with a diversity of commerce options. Now more than ever, we need to close the tax loophole that allows large corporations to siphon earnings out of the state. You have an opportunity *today* with this bill to be a leader not just for small businesses, but for all Marylanders.

It's time to close corporate tax loopholes that disproportionately benefit large, multi-state corporations and their shareholders. These companies should pay their fair share in our state and contribute to the public services -- like infrastructure and public safety -- they rely on to succeed. Local Maryland businesses can't take advantage of these tax gimmicks and that's unfair.