



## WMDA/CAR Service Station and Automotive Repair Association

February 16, 2023

Chair: Melony Griffith  
Members of Senate Finance Committee

RE: SB 259 Flavored Tobacco Products – Prohibition

Banning Flavored tobacco and electronic smoking devises will have unintended consequences on adult smokers, state taxes, tobacco retailers, and underage youth.

- Loss of business/profits to retailer not only of tobacco products but other store sales and motor fuel and associated taxes. Customers want convenience.
- Illegal street sales exist now, banning flavors which average over 50% of Maryland sales, will create more crime, and gang activity.
- Surrounding states will benefit just as they have in Massachusetts Flavor ban where ME, VT, NH, CT, and NY all picked up sales.  
<https://taxfoundation.org/massachusetts-flavored-tobacco-ban/>
- Underage buying will increase with more illicit sales taking place. These outlets ask for no I.D. and very well could be selling other illicit products to underage buyers. Not good and extremely dangerous.
- Maryland collected a combined \*\$473,453,096.00 from tobacco and other tobacco products. Maryland also collected 6% sales tax on total. With over 50% of Maryland sales either going to other states or into back ally outlets we are talking a massive hit in state revenue.
- In summary, Maryland retailers are the best controlling age restrictions, and collecting taxes that can be used for cessation education. Prohibition only empowers illicit markets, benefits surrounding states, while costing retailers and hundreds of million in state taxes, while accomplishing nothing.

\*Alcohol and Tobacco Tax Annual report FY 2022  
Please give SB 259 unfavorable report

WMDA/CAR is a trade association that has represented service stations, convenience stores and independent repair shops since 1937. Any questions can be addressed to Kirk McCauley, 301-775-0221 or [kmccauley@wmda.net](mailto:kmccauley@wmda.net)