

Darvincia Warren
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Attn: Chair, Maryland House of Delegates Committee on Finance

Dear Chair,

I am writing to express my strong opposition to Maryland House Bill 1515, which proposes significant changes to sales tax compliance requirements for service-based businesses like mine. As the CEO of DW Tax Preparation LLC, located in Prince George's County, I am deeply concerned about the potential ramifications this bill could have on myself, my clients, and the broader community of tax professionals in our state.

As accountants and tax professionals, we intimately understand the complexities and challenges associated with sales tax compliance. House Bill 1515 would impose a new mandate requiring businesses to charge, collect, and remit sales tax on their services, significantly altering our current practices. This sudden imposition would necessitate extensive updates to our invoicing and accounting systems, comprehensive staff training, and diligent management of ongoing filing requirements. The burden of navigating these changes would inevitably fall squarely on our shoulders, placing an unprecedented strain on our resources and capabilities.

Of particular concern is the woefully inadequate timeline for implementation outlined in the bill. With an effective date of January 1, 2025, there is minimal opportunity for the Comptroller's office to issue the necessary guidance and for us, as tax professionals, to adequately prepare ourselves and our clients for the impending changes. This rushed approach leaves little room for error and increases the likelihood of confusion and non-compliance among businesses across the state.

As members of the Maryland Society of Accountants and Tax Professionals (MSATP), we are committed to advocating for policies that promote the success and growth of our practices and the small businesses we serve. House Bill 1515, in its current form, fails to align with these objectives and instead threatens to impose unnecessary burdens and challenges on our profession.

In light of these concerns, I urge you to reconsider the provisions of House Bill 1515 and work towards a more collaborative and thoughtful approach to sales tax reform in Maryland. I am available to provide further insight and perspective on this matter and would welcome the opportunity to engage in meaningful dialogue with you and other stakeholders.

Thank you for your attention to this critical issue.

Sincerely,

Darvinia Warren
CEO, DW Tax Preparation LLC