



DCM BioServices

43 East South Street, Unit 2A, Frederick, MD 21701

March 7, 2024

The Honorable Vanessa Atterbeary, Chair
House Ways & Means Committee
Room 131, Taylor House Office Building
Annapolis, MD 21401

Subject: HB1515, Sales and Use Tax- Rate Reduction and Services

Dear Chairwoman Atterbeary & Committee Members,

My purpose in writing is to share my strongest possible opposition to House Bill 1515, Sales and Use Tax- Rate Reduction and Services.

While the reduction from 6% to 5% seems positive on the surface, the broadening of services included would result in a historic increase in the Maryland Sales and Use tax. As a father of two school-aged children the need and goals within the Maryland Blueprint for Education are important to me personally. I also have numerous friends and family members working in the education system. All that said, this change to fund that mandate couldn't possibly come at a worse time for small businesses.

Our economy is still facing serious uncertainty due to the affects of inflation. Our employee costs have risen dramatically due to compensation and benefit necessary to attract and retain high quality talent and mandates from the federal and state government. Our cost-of-goods has grown significantly along with travel and employee benefits costs rising consistently.

As a growing independent service provider for laboratory instrument services in Maryland and nationwide we compete for skilled staff in an already challenging employment environment. The unintended consequences - costs to implement, communicate to clients, and justify in a competitive environment are immense. A 5% sales tax passed onto our clients means not being able to adjust actual service pricing that continues to support real and meaningful staff wages and benefits.

Another major concern is that any business located in Frederick County is impacted by our proximity to nearby states, who's economies are not burdened by similar rising sales taxes on goods and services should HB1515 become law.

Please reject this economy-stifling and job-threatening initiative by issuing an **unfavorable** committee report on HB1515.

Sincerely,

Jeffrey Griffin, General Manager
jeff.griffin@dcmbio.com

David May, Founder
dave.may@dcmbio.com

800-240-4593

service@dcmbio.com

www.dcmbio.com



We eliminate downtime in your lab.