



**HB 1515 – Sales and Use Tax – Rate Reduction and Services  
House Ways and Means Committee  
Monday, March 11, 2024**

**OPPOSE**

Dear Chairwoman Atterbeary and Committee Members:

The Hispanic Chamber of Commerce for Prince George's County (“HCCPG”), as the voice of Hispanic-owned companies and businesses in Prince George’s County, **opposes House Bill 1515**. Our organization believes that this proposed legislation would have a tremendous negative impact on our business community and long-term negative consequences for our local economy.

This legislation would lower the sales and use tax rate from 6% to 5% but would expand that 5% sales tax to everyday services that have never been taxed before, including but not limited to, legal services, accounting services, home improvement, janitorial services, gym memberships and auto services. An increase in costs by 5% for small businesses is an unfair burden that could very well cause many small business owners to close their doors.

**Discrimination against Small Minority-Owned Businesses**

Should Latino businesses be forced to close their doors, it will indeed have a ripple effect across the state. According to U.S. Census data, Latinos make up just over 10% of the population in Maryland, and in 2018, Hispanic-owned businesses made up about 5.8% of all businesses. In Maryland, we have seen the number of Hispanic-owned businesses grow from 25,000 in 2007 to more than 100,000 in 2024. Additionally, Prince George’s County has the second-largest number of Hispanic-owned companies and businesses, behind Montgomery County.

**Out of State Competition**

Should HB 1515 pass, it will nearly be impossible to enforce due to geographic challenges. Commerce does not operate within jurisdictional boundaries, especially given technological advances that provide the ability to do commerce from virtually any location. Most small businesses in Maryland would be forced to pay 5% more for various professional services such as legal, accounting, human resources, etc., when none of our neighboring states have such a tax, putting Maryland small businesses at a competitive disadvantage with those offering the same services in surrounding jurisdictions.

In conclusion, the Hispanic Chamber of Commerce Prince George's County stands with all Maryland Hispanic-owned small businesses, which employ more than 3 million people in this state, to fight for their economic security against this burdensome legislation. For the reasons cited above and more, the Hispanic Chamber of Commerce for Prince George’s County respectfully requests an **UNFAVORABLE REPORT on HB 1515**.

Sincerely,

*Jennifer Rios*

Jennifer Rios, President,  
Hispanic Chamber of Commerce Prince George's County  
Jrios@hccpg.com