



March 11, 2024

Chairwoman Delegate Vanessa Atterbeary
Ways and Means Committee
Room 131
House Office Building
Annapolis, MD 21401

HB1515 – Sales and Use Tax – Rate Reduction and Services - **OPPOSE**

Dear Madam Chair and Members of the House Ways and Means Committee,

The Maryland Green Industry Council wants to express their **opposition to House Bill 1515**. The Maryland Green Industries Council represents the Maryland Nursery, Landscape, Greenhouse Association, Maryland Arborist Association, The Frederick Area Landscape Contractors and Nurserymen and the Maryland Association of Green Industries. Council members provide landscape and lawn care services, tree care services, and pest control services. Members service clients in all Maryland counties and Baltimore City.

The passage of this proposed legislation would unfairly impact the constituents who require our services, many of which are elderly or on a fixed income. Reducing the sales tax by 1% while increasing services taxes by 5% will disproportionately impact lower income individuals who can choose not to purchase discretionary items but cannot choose not to need certain services. Needing your lawn mowed because you do not own lawn equipment, a tree removed due to a storm, or pest control services such as bed bug treatment are not luxury or optional purchases.

MaGIC members are law abiding, tax paying, legitimate businesses who would comply with this law if passed. This bill will ultimately cause our customers to cancel services purchased from our legitimate companies and turn to unlicensed, uninsured, and non-tax paying “underground” individuals who will accept cash for services rendered. In addition to harming our small businesses, this also poses a significant threat to public health and safety as the services we provide, such as tree removal and pest control, are highly specialized and require proper training to be done safely.

Additionally, if this bill were to pass, the administrative burden on the businesses we represent, many of which are small businesses, would be immense. Having to collect, account for and remit services taxes to the state is no small feat. This will place additional financial stress on small, family-owned businesses already struggling with crippling inflation.

MaGIC understands the need to raise revenue but doing so by increasing taxes on Marylanders and small businesses in these already tough economic times is not the answer.

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Frederick Area Landscape Contractors and Nurserymen ■ Landscape Contractors’ Association, Inc. MD, DC, VA ■ Maryland Arborist Association
■ Maryland Association of Green Industries ■ Maryland Nursery, Landscape, and Greenhouse Association
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