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March 11, 2024

Ways and Means Committee
Maryland House of Delegates
c/o Delegate Vanessa E. Atterbeary, Chair
Room 131
House Office Building
Annapolis, Maryland 21401

RE: House Bill 1515 – Sales and Use Tax – Rate Reduction and Services

Dear Members of the House Ways and Means Committee:

On behalf of Cecil County Government, we write this letter in strong opposition to HB 1515, which could very well become the *single largest tax increase* in our state's history. Under this proposed legislation, virtually all services used by Marylanders will be subject to the sales tax. This could increase Maryland's sales tax by as much as 50% in the aggregate.

When this bill was last introduced during the 2020 legislative session, it was projected to take \$2.9 billion out of the pockets of hardworking Maryland families and businesses. Adjusted for inflation, this figure balloons to well over \$3 billion in 2024!

In our view, this bill shows a fundamental lack of understanding of the already distressing financial situation many Marylanders find themselves in today. Record inflation in recent years has made it increasingly more difficult for working families to afford gas, groceries, and other household necessities; not to mention the recent considerable increase in state property taxes. Seniors on a fixed income will also be adversely impacted by this regressive policy as they continue to have to find ways to do more with less.

Cecil County is a community that is not only beautiful, it is a community that is affordable. We have worked hard to achieve this balance with our local policy choices. This legislation would not only undermine our efforts, it could very well drive our residents to move across our border to Delaware or Pennsylvania. For these reasons, we urge your committee to give HB 1515 an unfavorable report.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Hornberger".

Danielle Hornberger
County Executive

A handwritten signature in blue ink, appearing to read "Jackie Gregory".

Jackie Gregory
President of County Council