



**MARYLAND
TOURISM
COALITION**

January 27, 2025

Maryland House of Delegates
The Honorable Vanessa Atterbeary, Chair
Ways and Means Committee
130 Taylor House Office Building
Annapolis, Maryland 21401

RE: Support of HB1005 - Income Tax - Tips or Gratuities - Subtraction Modification (No Income Taxes on Tips Act)

Chairwoman Atterbeary and Members of the Committee,

My name is Matt Libber, and I am the Legislative Committee Chair for the Maryland Tourism Coalition (MTC). I am writing to you today to express MTC's support of House Bill 1005. The Maryland Tourism Coalition is a trade organization with members representing all areas of tourism in the State of Maryland. Our mission is to support businesses and organizations that cater to the tourism industry through education, networking, and advocacy. As such, MTC asks the committee for a favorable report.

Employees are the backbone of the tourism industry, and we appreciate this legislation that could provide some State tax relief to our tipped employees and their families. Servers, bartenders and other tipped employees perform unique roles in the hospitality industry and are rewarded with tips for the excellent service they provide to customers/guests. The restaurant workers are a key component to the tourism industry and help insure that every visit to Maryland has a great experience and a desire to return. This legislation would help these employees keep more of their hard-earned tips.

We support this legislation that focuses solely on excluding tips from State income tax. However, we would not support any similar legislation, or amendments to this bill, that would eliminate or reduce the tip credit because protecting the tip credit safeguards the income of our restaurant and bar tipped employees.

We respectfully request a favorable report for House Bill 1005.

Respectfully submitted,

Matt Libber
Legislative Chair
Maryland Tourism Coalition
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