



Mid-Atlantic Petroleum Distributors Association  
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TO: House Ways & Means and Economic Matters Committees

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: March 6, 2025

RE: **HOUSE BILL 1469** – Taxes - Sugary Beverage Distributor Tax

On behalf of Maryland's convenience store marketers and energy distributors, MAPDA urges the committee to issue an unfavorable report on HB1469.

This bill would create a "sugary beverage distributor tax." The tax is 2-cents per ounce of a beverage. Such beverages include sports drinks, sodas, energy drinks, juice, flavored waters and more.

With food inflation and housing costs continuing to rise, now is not the time to intentionally increase the cost of groceries by instituting taxes on products Marylanders want and enjoy.

A two-cent per ounce tax on beverages adds up quickly. Prices will increase by 60% or more on some beverage brands: adding \$1.35 to a 2-liter beverage bottle or \$4.32 to an 18-pack of 12 oz. sports drinks.

Taxes like these are regressive. They hit lower-income families the hardest in places they have been tried. Lower-income families in Maryland are struggling to afford the high cost of living in the state. We should not be forcing them to pay more for everyday groceries at a time when the effects of inflation are still gripping the country.

Nearly 25,300 workers in restaurants, grocery stores, convenience stores, movie theaters and more depend, in part, on beverage sales for their livelihoods.

Beverage taxes led to layoffs and employees losing work hours in cities that have tried them, like Philadelphia. We encourage the General Assembly to continue its goal of lifting up and energizing our economy, not making things harder for local businesses as HB1469 would do.

For these reasons, MAPDA respectfully requests an **unfavorable committee report on HB1469**.

**Feeding and fueling the economy through gas, coffee, food, heating oil and propane.**

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.