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NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – [www.NFIB.com/Maryland](http://www.NFIB.com/Maryland)

TO: House Ways and Means Committee

FROM: NFIB – Maryland

DATE: February 20, 2025

RE: **OPPOSE HOUSE BILL 1014** – Fair Share for Maryland Act of 2025

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland's small businesses, NFIB-Maryland strongly opposes House Bill 1014 – legislation that will alter the rates and rate brackets of the State's income tax law among other changes.

Small business owners, organized as pass-through-entities (PTE) would be negatively impacted under HB1014. PTEs generally consist of the following: sole proprietorship, general partnership, limited partnership, limited liability company, or an S-corporation. Those businesses organized as one of the preceding entities are overwhelmingly small business owners.

These small business owners pay "business taxes" through their personal income tax returns. According to the Tax Foundation, Maryland ranks 46<sup>th</sup> on their State Tax Competitiveness Index.

Should the tax brackets be reorganized as called for in HB1014, those rates would send Maryland to the bottom of the charts when it comes to business friendliness – something no one in this legislature or administration wants to see.

[NFIB strongly supported legislation in 2020](#) establishing a commission to evaluate the State's current tax systems and make recommendations to ensure Maryland's tax policy is competitive with surrounding jurisdictions and encourages business growth and job creation.

We encourage the General Assembly to revisit the idea of such a commission before passing legislation like HB1014 which creates more of a financial web small business owners must work through to ensure they remain competitive and financially viable.

If HB1014 were to pass it would send a negative message to entrepreneurs and would-be small business owners hoping to create a future for themselves, their employees and their families.

For these reasons **NFIB opposes HB1014** and requests an unfavorable committee report.