



House Ways and Means Committee
February 12, 2026

House Bill 468 – *Health and Taxation – Digital Social Media Services and the Mental Health Care Fund for Children and Youth*
POSITION: OPPOSE

The Maryland Tech Council (MTC), with over 800 members, is the State’s largest association of technology companies. Our vision is to propel Maryland to be the country’s number one innovation economy for life sciences and technology. MTC brings the State’s life sciences and technology communities into a single, united organization that empowers members to achieve their goals through advocacy, networking, and education. On behalf of MTC, we submit this letter of **opposition** for House Bill 468.

While we strongly support efforts to expand access to mental health services for children and youth, House Bill 468 would impose a new gross revenues tax on digital social media services that raises serious concerns. A tax on gross revenue reduces available capital and can directly impact hiring, wages, and local investment.

By targeting a specific segment of the digital marketplace with a revenue-based tax, the bill creates a strong disincentive for digital social media companies to expand operations, increase their workforce, or make new capital investments in Maryland. Tech companies evaluate state-level tax policies carefully when choosing where to expand. House Bill 468 introduces a Maryland-specific tax on revenues from digital social media services, a burden not widely adopted elsewhere, making Maryland a potential outlier among peer states. We are also concerned that the bill’s broad framing of “digital social media services” means that its impact could extend beyond large national platforms to affect smaller tech firms, digital advertisers, and other related businesses.

MTC strongly supports mental health investments. But these investments should not be tied to punitive or innovation-suppressing tax structures. We would encourage the General Assembly to explore alternative funding mechanisms that would avoid harming the very industries driving its future economic growth.

For these reasons, the MTC urges the Committee to **issue an unfavorable report on House Bill 468**. Maryland should promote policies that encourage technological innovation and entrepreneurial growth and not those that create uncertainty or discourage investment in the digital economy.

For more information call:

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