

Dear Members of the Committee,

My name is Alex Lynn. I am the owner and operator of Harford Coin Company, a 63 year old second-generation family business located in Baltimore County, Maryland. Since 1963, we have been engaged in the buying and selling of coins and related items, including precious metals for investment. Since the July 2025 repeal of the prior sales tax exemption for coins and bullion (an exemption which had existed in Maryland since 1990), our revenues have declined by approximately 70%. Since the states surrounding Maryland all still have exemptions for coins and bullion, investors who are looking to make such purchases simply travel the very short distance required to make their purchases in Pennsylvania, Virginia or Delaware, where they are able to make purchases without paying sales tax. Any gains the state may have expected from repealing the sales tax exemption have certainly been offset by loss of business revenues which would have been taxable income to Maryland business, now lost to neighboring states. The net result is the destruction of careers & livelihoods and an overall loss of revenue to the State, not a revenue gain.

If the sales tax requirement that was established in July of 2025 is left in place, I will be either closing my business at the end of 2026, or possibly trying to relocate to one of our neighboring states. Combined, my late father and I have over 85 years invested in building this business, and this decision by the state has jeopardized the businesses' future. I am not alone in this predicament. I implore you to weigh the benefits of this change versus the damage it does to Maryland-based businesses. I kindly ask for your support by repealing the requirement that Maryland businesses charge sales tax on bullion items, remove the prior parts of the law that set a dollar-amount threshold for sales tax-exempt purchases, and removing the unfair exemption provided only for sales made at the Baltimore Convention Center. This last provision, in particular, primarily benefits a large out-of-state exhibition company that holds events in Baltimore three times a year. This provision is unfair and doesn't primarily benefit the businesses that are based in Maryland year-round – indeed, it provides an unfair trade advantage to an out-of-state but well-connected large company.

Thank you for your time.

Regards,

Alex Lynn