



Testimony on behalf of the Greater Bethesda Chamber of Commerce

*In Opposition to
House Bill 1515—Sales and Use Tax—Rate Reduction and Services
March 11, 2024
House Ways and Means Committee*

The Greater Bethesda Chamber of Commerce (GBCC) was founded in 1926. Since then, the organization has grown to more than 570 businesses located throughout the Greater Bethesda area and beyond. On behalf of these members, we appreciate the opportunity to provide written comments in opposition to House Bill 1515— Sales and Use Tax—Rate Reduction and Services.

House Bill 1515 imposes the State sales and use tax on all services, with some exceptions, by expanding the definition of taxable service while at the same time reducing the State sales and use tax rate from 6 percent to 5 percent. The Greater Bethesda Chamber of Commerce supports a responsible budget that balances the needs of residents with tax policies that don't place undue burdens on residents and business. Unfortunately, we do not think this bill is consistent with that goal. While this bill decreases the sales and use tax by one percent, it also expands the tax to a multitude of new services, including accounting and financial planning services, real estate services, gym memberships, dry cleaning and laundry services, home repair and improvement services, and childcare services. Not only does this bill place an incredible burden on Marylanders and small businesses, but it is also regressive, imposing a higher burden on people with lower incomes. It would place Maryland and Maryland's businesses, especially those located near the state's borders, at a huge disadvantage.

For these reasons and others, we strongly oppose House Bill 1515 and urge an unfavorable vote.