



Testimony on behalf of the Greater Bethesda Chamber of Commerce

*In Opposition to
House Bill 846—Transportation Access and Revenue Act
February 18, 2025
House Ways and Means and Environment and Transportation Committees*

The Greater Bethesda Chamber of Commerce (GBCC) was founded in 1926. Since then, the organization has grown to more than 600 businesses located throughout the Greater Bethesda area and beyond. On behalf of these members, we appreciate the opportunity to provide written comments on House Bill 846—Transportation Access and Revenue Act.

House Bill 846 seeks to alter the definitions of "taxable price" and "taxable service" to impose the sales and use tax on additional transportation-related services. This expansion would subject businesses to increased taxation on services that were previously exempt, thereby increasing operational costs. For many businesses, especially those operating with tight margins, this could result in significant financial strain. In addition, the imposition of additional taxes on transportation-related services may place Maryland businesses at a competitive disadvantage as compared to those in neighboring jurisdictions with more favorable tax structures. This could discourage businesses from operating in or relocating to Maryland or consumers from shopping in Maryland, ultimately hindering economic growth. This is particularly problematic for businesses located in border counties, like Montgomery County.

We believe small businesses are the backbone of Maryland's economy. The proposed tax changes in House Bill 846 could lead to increased costs for goods and services, as businesses may need to pass on the additional expenses to consumers. This not only affects the profitability of small businesses but also impacts consumers who rely on affordable services.

For these reasons, we would respectfully request an unfavorable report on House Bill 846.