

November 30, 2020

The Honorable Bill Ferguson President, Maryland Senate H-107 State House 100 State Circle Annapolis, MD 21401

The Honorable Adrienne Jones Speaker, Maryland House of Delegates H-101, State House 100 State Circle Annapolis, MD 21401

This letter is being transmitted by email

Dear President Ferguson and Speaker Jones:

We are writing to you as a united, independent coalition of Marylanders and Maryland businesses, called Marylanders For Tax Fairness. As you may have read in the Baltimore Sun and The Washington Post, we launched this coalition with the mission of ensuring that taxes implemented by the Maryland General Assembly do not place an unnecessary and undue burden on the state's entrepreneurs and job creators, especially during the COVID-19 pandemic. Marylanders For Tax Fairness is actively working to sustain Governor Larry Hogan's veto of House Bill 732 – the Digital Ad Tax. If allowed to become law, HB 732 would raise taxes and costs on any business or any person who uses digital advertising in the marketing of their services.

Currently, over 100 organizations and businesses have officially joined the Marylanders For Tax Fairness coalition. They include the Maryland Chamber of Commerce, Maryland Hispanic Chamber of Commerce, Maryland Retailers Association, National Federation of Independent Business (NFIB) in Maryland, and members of Maryland's local journalism community, including print and broadcast media. Our membership is diverse, comes from all corners of the state, and grows every day. In addition, more than 2,000 Marylanders have signed the Marylanders For Tax Fairness petition supporting our mission and efforts.

Our goal is simple – we are asking the Maryland General Assembly to allow Governor Hogan's veto of HB 732 to stand. It would be a mistake for the legislature to override the governor during 2021 legislative session.

The collateral damage of enacting this legislation will be the many Maryland businesses fighting to survive and stay open during these trying times. As Senate President Bill Ferguson said in Senate testimony, the reality of the system is that taxes and costs will be pushed down on Marylanders and businesses throughout the state. There could not be a worse time to make doing business in Maryland more expensive than it already is.









If the legislature overrides the governor's veto, Maryland would have the notorious distinction of being the only state in the country to enact a digital advertising tax. This is not a welcomed distinction.

Today, businesses of all sizes are marketing online. Access to platforms that provide advertising is direct, easy to manage, and more people than ever are on those platforms – and this is why HB 732 is damaging to both Maryland's and countless local economies. HB 732 would raise taxes and the cost of doing business for all hardworking Marylanders. The ripple effect is obvious: higher taxes, higher prices, fewer jobs.

To be clear, this is not a campaign against the programs and projects the Maryland General Assembly wants to fund. This campaign is advocating for the small businesses and the Marylanders who will be needlessly hurt if the legislature continues to pursue this particular funding mechanism.

An incredible number of challenges have arisen since the legislature passed HB 732. It is the reality we all face today. The virus is still surging, and businesses are under more pressure than ever with new restrictions being placed on them every week.

For the sake of your constituents and all Marylanders, do not override Governor Hogan's veto and implement this tax. Doing so would only make life harder for the thousands of small businesses who are trying to keep their doors open and their employees paid.

Thank you for your time and your consideration of our request.

Sincerely,

Marylanders For Tax Fairness

Coalition Membership

127 Creative Antietam Broadband

360 Your Business Armadillo's Restaurant

American Advertising Federation Association of Magazine Media

American Advertising Federation of Association of National Advertisers'

Baltimore

American Advertising Federation of Baxter Tire & Auto

Greater Frederick Bella Napoli

American Cedar and Millwork Bethesda Chamber of Commerce

Anne Arundel Land Holdings, LLC Blackwall Barn and Lodge









Blackwall Hitch Howard County Chamber of Commerce

Brice's Barbershop Impact Marketing

Broken Oar Bar and Grill Interactive Advertising Bureau

Calvert Chamber of Commerce Internet Association

Candor Home Inspections Internet Coalition

Central Maryland Chamber Kurtz Beach

Charles County Chamber of Commerce Laura's Eyes Photos

Chesapeake Tile and Marble Law Office of Michael Malone

Council On State Taxation Liquified Creative

Cuckhoo Web Design

David's Natural Market

Devaney & Associates

Magothy Payments

Maryland Chamber of Commerce

Maryland DC Delaware Broadcasters

Association

Emarie Contracting

Maryland Free

Fish Head Cantina Maryland Hispanic Chamber of Commerce

Founders Tayern & Grille Maryland Retailers Association

Maryland, Delaware, DC Press Association Frederick County Chamber of Commerce

Gaithersburg-Germantown Chamber of MOJO

Commerce Motion Picture Association

Garrett County Chamber of Commerce Mrs. Kipke's Gun Storage

Glen Burnie Bowl National Association of Broadcasters
Go, See & Do Travel National College Lacrosse League

Golden Consulting Inc National Taxpayers Union

Gray Developers NCTA

Greater Severna Park Chamber of Network Advertising Initiative

Commerce New North

Greater Silver Spring Chamber of
Commerce
NFIB

Greenpoint Wellness Northern Anne Arundel County Chamber of

Commerce
Harford County Chamber of Commerce

Haversack Law LLC
Pink Dog Digital

High Rock Studios

Pretzel and Pizza Creations









Prime Motorsports

RCM Utility Contractors

Red October Productions

Robin Ficker Law Offices

Ron George Jewelers

Salisbury Area Chamber of Commerce

Sanders Jewelry

Schmidt Home Consultants

Smashing Grapes

Software & Information Industry

Association

SpeedPro

Sports and Imports

Strategic Partners Media

Sunset Tanning Salon

TechNet

The Greater Severna Park and Arnold

Chamber

The Healing Path

Tim's Automotive and Towing

Titan Hospitality Group

Twains Tavern

Two Rivers

Vaccaro's Little Italy Pastry Shop

Washington County Chamber of

Commerce

Westminster Speed & Sound

Zest Social Media Solutions

Cc: Members of the Maryland General Assembly





