



LEGISLATIVE POSITION:

Favorable

Senate Bill 274

Property Tax - Exemptions for Business Personal Property – Alterations

Senate Budget and Taxation

Wednesday, February 2, 2022

Dear Chairman Guzzone and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

SB 274 would alter the eligibility for exemptions from the personal property tax for personal property of a home business or personal property with a total original cost below \$20,000. The bill also prohibits SDAT from collecting the property information or requiring the submission of a personal property tax return from businesses that qualify for the personal property tax exemption.

Small businesses are the backbone of Maryland's economy, and many are still working to recover from the COVID-19 pandemic. Proposals such as SB 274 provide real relief to small businesses and individuals in the State by modestly increasing the maximum total of personal property (excluding vehicles) that is exempt from taxation to \$20,000. In addition to this, SB 274 also removes the burden that an individual must submit a personal property tax return if they qualify for the exemption.

SB 274 is a great example of government supporting small businesses and consumers by taking a proactive approach to targeted economic recovery. As inflation continues to rise, many small businesses and individuals are finding it harder to remain under the current \$10,000 threshold. This bill would help ensure that small businesses continue to thrive and stay in Maryland.

The Maryland Chamber of Commerce respectfully requests a **favorable report** on **SB 274**.