

MARYLAND RETAILERS ASSOCIATION

The Voice of Retailing in Maryland



HB144 – Motor Fuel Tax Rates - Consumer Price Index Adjustment - Repeal **Ways and Means Committee** **January 19, 2022**

Position: Favorable

Background: Automatic motor fuel tax rate increases based on the consumer price index would be repealed.

Comments: The Maryland Retailers Association (MRA) supports the proposal to repeal automatic rate increases for taxes on motor fuel based on the consumer price index (CPI).

The rising cost of goods and services due to inflation caused by the COVID-19 pandemic is having a major impact on households and businesses across the country. Increased prices for goods are related to a variety of factors including the price of raw materials, labor costs at every level of production, and shipping costs. Repealing automatic tax rate increases based on CPI would have a positive impact on all Marylanders not only based on individual transportation costs but also through lower prices on goods and services due to lower operational costs for businesses.

We are all reminded on a daily basis that the pandemic and its impacts are far from over. Cost increases that we can control should be put on hold as we continue to work through this challenging time. With this in mind, we would urge a favorable report on HB144. Thank you for your consideration.