



March 5, 2012

The Honorable Edward J. Kasemeyer
Budget and Taxation Committee
Miller Senate Office Building, 3West
Annapolis, MD 21401

RE: SB 249 – State Individual Income Tax - Millionaires' Tax - **Oppose**

Dear Senator Kasemeyer:

This bill would re-impose the 6.25% personal income tax bracket on taxpayers with a net taxable income of over \$1 million. The Legislative Committee of the Carroll County Chamber of Commerce opposes SB 249 as a bill that would increase income taxes on small business owners.

We agree with the position of the Maryland Chamber of Commerce:

“The Department of Legislative Services reports that Maryland has the 2nd highest state and local income tax revenue as a percent of personal income. Maryland’s top marginal tax rate of 8.7% is above the rates of our neighboring states (D.C. 8.5%; DE 6.91%; WV 6.5%; VA 5.75%; PA 3.85%). This tax falls disproportionately on small business owners, who need to reinvest funds into their companies to create jobs. Raising individual income taxes will make Maryland less competitive on a major tax with which we are over-reliant and uncompetitive.”

If we want to encourage new business, foster business growth and retain current businesses we need to look for other ways to meet budget shortfalls. The volume of new taxation bills are beyond troubling. These signs indicate that there is a lack of political will to make difficult budget choices including cutting expenditures and instead place the burden on the backs of those who provide jobs, goods and service to Maryland.

For these reasons we ask that your committee gives SB 249 an unfavorable report.

Sincerely,

A handwritten signature in black ink that reads 'Michael McMullin'.

Michael McMullin
President
Carroll County Chamber of Commerce

cc: Senator Joseph M. Getty
Delegate Susan W. Krebs