



15 Visitors Center Drive  
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TO: Maryland Business Tax Reform Commission

FROM: Nicole Christian, President & CEO  
Garrett County Chamber of Commerce

DATE: November 9, 2010

RE: TESTIMONY FOR PUBLIC HEARING NOVEMBER 9, 2010

On behalf of the Garrett County Chamber of Commerce and its more than 700 member firms we would like to encourage the Maryland Business Tax Reform commission to be very mindful of the heavy tax burden that the businesses of Maryland already bear when considering changes to tax structures, policies and rate changes. According to a recent study by the Maryland Chamber of Commerce, our state business tax system is less than competitive when compared to Pennsylvania, Virginia and North Carolina. Any new policies or tax system changes that make Maryland less competitive in terms of attracting and retaining employers, or that result in job losses will be detrimental to our economic well-being.

The Garrett County Chamber of Commerce is fully aware of the State's budget deficit and understands that steps must be taken to ensure the financial health of Maryland. However, businesses alone cannot carry the load.

The past two years have presented unparalleled economic challenges and the businesses of our community are still trying to recover. However, there is still much uncertainty at the federal level causing employers to refrain from hiring, expanding or innovating. The "Patient Protection and Affordable Care Act" of 2009 (Federal Health Care Reform bill) is a big unknown in terms of costs to employers and is causing much angst. There is also growing concern about the Federal Tax Cuts from 2001 and 2003 that are set to expire at the end of 2010, including bonus depreciation, reductions in taxes on capital gains and dividends and the death tax. We strongly recommend that the Maryland Business Tax Reform Commission consider these Federal Circumstances when making specific recommendations to the State's Tax Structure.

The Garrett County Chamber believes that less regulatory burdens and lower taxes will result in the creation of jobs and an expansion of our tax base. Therefore, you have more people/businesses paying less.

Thank you for your consideration.

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