



House Bill 859

*Business Regulation – Trader’s and Chain Stores Licenses and
Personal Property Tax - Fees and Exemptions*

MACo Position: **SUPPORT**

To: Economic Matters Committee

WITH AMENDMENTS

Date: February 28, 2017

From: Barbara Zektick

The Maryland Association of Counties (MACo) **SUPPORTS** HB 859 **with AMENDMENTS**. This bill intends to replace the existing tiered fee structure for trader’s and chain store licenses with a flat fee in each jurisdiction.

The existing tiered fee structure for trader’s and chain store licenses has not been updated for most counties in nearly a century, and requires businesses to spend significant time and resources to inventory their stock-in-trade in order to determine their appropriate license fees. MACo supports this bill, which streamlines a dated fee structure and relieves businesses of the requirement to undertake burdensome processes to determine applicability of the appropriate license fee.

While Baltimore City and Baltimore County have successfully updated their fee structures in recent years, most counties have not changed their trader’s fees to accommodate for inflation in several decades. As such, MACo respectfully requests that the Committee amend this bill to set one fee for all counties and municipalities, making the fee \$325 in all jurisdictions. This further simplifies the bill and ensures that businesses are treated equally in all areas of the state.

Counties would support an additional amendment which sought to hold harmless small businesses which pay lower fees than \$325 under existing law. Should a small business opt to conduct an inventory of its stock-in-trade to affirmatively prove that its fee should remain the same as it has been under existing law, counties would be willing to accept the lower fee in an effort to ensure that those smaller businesses did not have to shoulder the burden of paying higher fees as a result of the improvements made under this bill.

MACo appreciates the sponsor’s willingness to work with counties to ensure that this legislation reduces burdensome requirements on businesses without counties having to shoulder the costs. This bill makes it easier for retail establishments to do business in the state of Maryland while also ensuring that counties still maintain revenue streams to fund essential government services. For these reasons, MACo urges a **FAVORABLE with AMENDMENTS** report on HB 859.