



House Bill 39 -- *Effective Corporate Tax Rate Transparency Act of 2023*
House Ways and Means Committee
February 2, 2023
Oppose

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes House Bill 39 -- *Effective Corporate Tax Rate Transparency Act of 2023*.

House Bill 39 requires a publicly traded corporation to include a statement that identifies the corporation's effective tax rate, including an itemized explanation of how the effective tax rate was calculated. The calculation must include a comparison of the effective tax rate both before and after the application of any credits, deductions, subtraction modifications, or other adjustments.

While the Chamber appreciates efforts to increase transparency and clarity, collecting and including this information would be an onerous task for a company. Corporations already have numerous reporting requirements so given that these companies are already highly regulated and audited, requiring this information is redundant. Additionally, mandating reporting that other states do not require sends an anti-business message and reduces Maryland's competitiveness.

For these reasons, the Montgomery County Chamber of Commerce opposes House Bill 39 and respectfully requests an unfavorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com