



**SB 622 -- *Community Reinvestment and Repair Fund - Funding (Maryland Reparations Act of 2024)*
Senate Budget and Taxation Committee
February 14, 2024
Oppose**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes Senate Bill 622 -- *Community Reinvestment and Repair Fund - Funding (Maryland Reparations Act of 2024)*.

Senate Bill 622 increases income taxes, the estate tax, and imposes a tax on capital gains. The proceeds of these higher taxes would benefit the Community Reinvestment and Repair Fund, which is a fund that supports communities disproportionately affected by prior cannabis prohibition enforcement. The Fund is currently funded by a 9 percent state sales tax on adult-use cannabis.

While MCCC appreciates the disproportionate impact on communities affected by cannabis enforcement prior to the legalization of adult use cannabis, we are concerned about the overwhelming nature of tax increases proposed in Senate Bill 622. This bill proposes an uncompetitive capital gains tax on Marylanders even though other states do not levy such a tax. Additionally, this bill proposes to increase income taxes dramatically despite Maryland already being a high income tax state. Significant tax increases such as those proposed in Senate Bill 622 will harm Maryland's competitiveness and make it more expensive for small businesses to be in the State.

For these reasons, the Montgomery County Chamber of Commerce opposes Senate Bill 622 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*