July 22, 2020

Dear Chairman Mendelson and Councilmembers:

            On behalf of [name of business] located in the District of Columbia [Ward #], I am writing to express my serious concern and profound disappointment in the Council’s FY 2021 budget proposal, which – during the worst economic crisis of a lifetime – levies a new tax on advertising services that are essential to the success and recovery of local and small businesses. That this tax was adopted without public input or meaningful analysis of its true impacts is simply reckless.

            The District’s businesses across-the-board continue to face unprecedented challenges due to the COVID-19 pandemic. Our revenues have been ravaged as we have been required to shut down or severely scale back services, forcing furloughs or lay-offs of valued employees, and putting the economic security of individual residents and their families at risk.

At such an extraordinary time as this, we depend on our elected officials to promote policies and a budget that will help us recover from this crisis. Policies that promote consumer patronage, encourage investment in our businesses, and stem the loss of jobs we already have seen.

Imposing new financial barriers to reaching customers through advertising – which is essential for businesses to recover and survive – moves in exactly the wrong direction, and will lead to only further harm to businesses, employees, vendors and the District’s overall economy.

            Advertising is as essential to a business as any other capital or operational expense, as it is used to communicate with customers through print, radio, television, billboards, and digital. Advertising drives demand for our products and services. Advertising brings shoppers into our stores and diners into our restaurants. At no time has our ability to communicate with consumers and drive demand ever been as important as right now. We are working every day to dig out of the economic crater created by this pandemic. However, rather than providing our businesses a shovel to help dig out, this Council’s proposal to tax advertising will only make the crater deeper.

            If this Council truly values local businesses like mine and the jobs they support for District residents, you must avoid the tragic mistake you are poised to make. The advertising tax would do irreparable harm to the District’s recovery, and it should be immediately pulled from the Council’s budget proposal.

Sincerely,