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New Coalition of Disability and Economic Advocates Announces Opposition to Delivery Taxes and Fees

The Arc Michigan, hospitality companies and business groups announced the Don't Tax MI Delivery coalition to oppose any new taxes or fees on delivery services in Michigan due to harmful impacts on people with disabilities, senior citizens, families and small businesses that serve them

LANSING, Mich. – A unique new coalition called Don't Tax MI Delivery today announced its opposition to any new tax or fee on delivery services because they would negatively impact people with disabilities, senior citizens, families without transportation and the small businesses who serve them.

"People with disabilities have very limited income and implementing a delivery tax will make using delivery services inaccessible," said Sherri Boyd, executive director of The Arc Michigan, an advocacy organization dedicated to protecting the rights of people with intellectual and developmental disabilities.

Any new tax or fee on the delivery of items like groceries, takeout food, flowers, furniture, appliances and electronics, even with some exceptions, will hurt:

- Families struggling with inflationary price increases
- People with disabilities who depend on delivery services
- Senior citizens who use delivery services for food, prescriptions and more
- Low-income families with transportation limitations
- Residents of food deserts who depend on delivery services
- Small businesses who serve these customers and more

A tax hike + inflation = a bad idea for Michigan families

After suffering from years of inflationary price increases, any proposal to increase the cost of delivery services would essentially be a double tax on food and more, disproportionately impacting hardworking families and vulnerable individuals who depend on delivery services.

1.4 million Michigan residents are food insecure. Making delivery more costly would increase the financial burden on these families and food banks that serve them.

New delivery taxes or fees will damage local small businesses and their employees

Any new tax or fee on delivery services will also hurt Michigan's small businesses, which depend on delivery services to reach their customers. In addition to the taxes they already pay on fuel, vehicle registration fees and more, increased government costs would force small businesses to absorb the financial hit, pass the cost on to customers, eliminate delivery options and possibly cut jobs.

Colorado's delivery disaster

In Colorado, which has been cited as a basis for a delivery tax in Michigan, the initial 27-cent delivery tax automatically increases each year and is now at 29 cents per delivery.

- Small business owners said it cost \$100,000 to implement the tax.
- A study showed that "In effect, the State of Colorado raised the sales tax for essential household products and takeout food by as much as 120%."
- "Retail delivery fees are a regressive tax...the financial burden of retail delivery fees is 6.5 times higher for households with annual incomes under \$25,000 compared to those with annual incomes of \$200,000 or more."

In Michigan terms, a \$7.00 sandwich generates a 42-cent state sales tax. Adding a 50-cent Michigan Delivery Tax would more than double the burden!

Delivery taxes and fees are collapsing in other states

This year, multiple states have dumped delivery fee and tax proposals.

Indiana's legislature eliminated a proposal to create new delivery taxes in February.

And in blue state Maryland, a delivery tax proposed by the governor there was so disliked ("[The governor's proposed fee for retail delivery met widespread opposition](#)", [Washington Post](#)) that it was dropped quickly ([Maryland Budget Deal Drops Proposed Tax on Delivery Orders, Bloomberg Tax](#)).

People everywhere simply reject the notion of new delivery fees and taxes.

The Don't Tax MI Delivery Coalition

[The Arc Michigan](#)

[Michigan Restaurant & Lodging Association](#)

[Michigan Chamber of Commerce](#)

[Michigan Retailers Association](#)

[National Federation of Independent Business](#)

Small Business Association of Michigan

Michigan Licensed Beverage Association

Chamber of Progress

Association for Enterprise Opportunity