



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Veronica P. McBeth, Director, Department of Transportation
CC	Mayor's Office of Government Relations
DATE	December 19, 2025
SUBJECT	25-0138 • Excise Tax Increase – Passenger-for-Hire Services

Position: Favorable

BILL SYNOPSIS

Council Bill 25-0138 would increase the tax imposed on passenger-for-hire services by 13 cents per trip, from 25 to 38 cents. The current tax of 25 cents per ride was put in place in 2014 and was expanded in 2020 to include transportation network services (such as Lyft and Uber); this tax has not been raised in the decade since its enactment. The modest 13-cent increase is unlikely to meaningfully affect riders, drivers, or operators.

The term “passenger-for-hire service” encompasses taxicab, limousine, sedan, and transportation network service providers which charge customers for the service. However, it does not encompass transportation services like the Maryland Transit Administration’s Mobility service, which provides specialized rides to customers with disabilities. Generally, this tax is not applicable to transportation services operated by or under contract with a unit of government or certain nonprofits; ambulance services provided by qualified providers; and funeral transportation services.

SUMMARY OF POSITION

The Department supports the proposed modest increase to the tax imposed on passenger-for-hire services. As such, the Department requests a favorable report on Council Bill 25-0138.