

**From:** Marc Sherman <duck@gearx.com>

**Sent:** Tuesday, April 20, 2021 10:57 AM

**To:** Ann Cummings <ACUMMING@leg.state.vt.us>; Faith Brown <FBrown@leg.state.vt.us>

**Cc:** Kelly Ault <kelly@vermontoutdoorbusinessalliance.org>

**Subject:** [External] Offering testimony for this afternoon's review of the PPP forgiveness taxation

[External]

Senator Cummings,

As the Owner of Outdoor Gear Exchange in Burlington, I am writing to offer my testimony for this afternoon's hearing on Vermont's taxation of 2021 PPP forgiveness.

Outdoor Gear Exchange received PPP loans in both rounds of this critical federal program. These funds were instrumental in us getting our staffing back to pre-pandemic levels in June despite shortfalls in retail floor sales just short of \$3.5M as compared to 2019. In addition to these lost sales, we also responded to our closure period and ongoing inventory recovery needs with discounting that also eroded our profitability.

Despite these ongoing issues around profitability these funds, including the PPP round-two funds we received earlier this year have allowed us to continue to invest in our staff and the prospects for a strong year ahead.

With the US Department of Treasury treating the forgiveness of these loans as non-taxable I would urge the VT Legislature to reconsider the hastily added taxation of these funds on the state level.

I am available this afternoon during the hearing with open time between 2:00 and 2:45 for the zoom. Please let me know if you're able to hear my testimony and, if so, how I access the hearing.

Thank you,

Marc

Marc Sherman  
Visionary  
he/him/his

Outdoor Gear Exchange / Gearx.com  
37 Church St. Burlington, VT. 802-598-1185