



## **Testimony in Support of Senate Bill 216 - Income Tax - Carried Interest - Additional Tax**

**Budget and Taxation Committee - January 29th, 2020 - 1:00 pm**

Strong Schools Maryland supports Senate Bill 216, a bill providing a 17% tax on specific entities taxable income that is attributable to investment management services provided in the State.

Strong Schools Maryland is a nonpartisan, nonprofit, 501(c)(3) organization whose sole mission is to establish a world-class public education system for every student in Maryland. We are composed of thousands of volunteers and supporters in nearly every county in the state. Our supporters consist of parents, grandparents, small business owners, retirees, students, teachers, and Marylanders from every background and age. We have built support for implementing and fully funding the 10-year phase in of the Kirwan Commission's recommendations.

A strong public school system is critical to the long term success of our state. In order to build strong schools in every Maryland community, we must implement a new, equitable, accountable, and sustainable funding formula based on the Kirwan Commission's recommendations. A sustainable funding source is critical in order to keep the promise our state has made to families as well as meet our constitutional obligation of a thorough and efficient public education system supported and maintained by taxation<sup>1</sup>. To that end, Strong Schools Maryland supports Senate Bill 216 to contribute to the several sources of revenue, both current and new, that will be required to fully fund the Kirwan recommendations.

When we invest in our public schools, we make our economy stronger, we reduce crime, lower healthcare costs, and provide opportunities for all Marylanders to lead a life of their choice. It is critical that we support efforts that will help fund a public school system that will allow every child, regardless of where they live or which public school they attend, to receive a world-class education. It is not just the right and moral choice, it is the smart economic investment as well.

**We urge the committee to issue a favorable report for Senate Bill 216.**

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<sup>1</sup> Constitution of the State of Maryland, Article 8, Section 1