

ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

February 26, 2020

SB 717 Earned Income Tax Credit – Individuals Without Qualifying Children – Eligibility

Senate Budget and Taxation Committee

Position: Support

The Maryland Catholic Conference ("Conference") represents the public policy interests of the three Roman Catholic (arch)dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

Senate Bill 717 increases the maximum income limit to be able to claim the state EITC to \$23,540 for single filers, which is slightly less than two hundred percent of the federal poverty line for a single adult.

The EITC is the most successful anti-poverty tool the state has. It has been proven to have a direct and immediate effect on hardworking individuals who simply cannot make ends meet. It provides a meaningful boost to low-income workers and families, enabling them to make necessary purchases and take care of basic needs. It also provides a pathway to financial stability; with more money coming back to the taxpayer, it can go into a myriad of different places to assist in being lifted out of poverty, including savings accounts and educational expenses. While the EITC does provide a direct and measurable benefit to individual Marylanders, it is also a boost to local economies, since every \$1 that is invested in the EITC generates \$1.24 for the economy.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on Senate Bill 717.