

MARYLAND FAIR FUNDING COALITION

Testimony in SUPPORT of HB 256

Del. Anne Kaiser, Chair
House Ways & Means Committee

The Maryland Fair Funding Coalition (MFFC) is a statewide coalition of 25 organizations dedicated to supporting policy proposals that modernize our state tax code and raise revenue to fund our public school system.

We strongly believe that the state can fund the necessary investments detailed in the Blueprint for Maryland's Future by eliminating corporate loopholes and tax breaks that benefit special interest and fixing our upside-down tax code, which allows the wealthiest individuals to pay the smallest share of their income in state and local taxes.

Historically, Maryland has had a tax for the estates of millionaires and multi-millionaires. However, in 2014, the General Assembly increased the amount of assets exempt from the tax from \$1 million to \$5 million, handing a windfall to a small number of ultra-wealthy heirs, while simultaneously making it harder for the state to make critical and necessary investments.

Our coalition supports HB 256, which would restore the previous estate tax level and generate \$110 million to \$150 million per year.

Restoring this revenue source is an integral part of providing a sufficient and sustainable revenue source for public education and essential services. If enacted, this legislation would raise about \$600 million in revenue over five years. Our state cannot afford to leave this amount of revenue on the table, we cannot afford to fail our children, and we cannot afford to the consequences of inadequately funding the Blueprint for Maryland's Future.

Therefore, we urge a favorable vote on HB256.