

Hearing Testimony March 5, 2020
House Ways and Means Committee
Service Employees International Union, Local 500, CtW, CLC

House Bill 1190 – Individual Income Tax - Rates and Rate Brackets - Alterations

SUPPORT

SEIU Local 500 represents over 20,000 working people, many of them educators, from paraeducators in Montgomery County Public Schools to faculty at Maryland colleges and universities, as well as Family Child Care Providers, non-profit industry staff, and thousands of other working people from our region. Across generations, employers and industries, SEIU Local 500 members all agree that our childrens' education is our top priority; we also realize that education is a public good that must be funded equitably. This is why today, we submit this testimony in support of House Bill 1190, which would make Maryland's income tax code fairer and raise revenues for our state's public schools without disproportionately burdening working and middle class families.

Currently, our state's tax code is upside-down. The wealthiest 1 percent of households pay a smaller share of their income in state and local taxes than do the rest of taxpayers, despite the fact that their income and share of our nation's wealth has doubled in the past several decades, while average wages have stagnated. This means that our current tax code further concentrates wealth and power in the hands of a relative few, while doing nothing to reduce the economic barriers that hold back many Marylanders, especially people of color. By restructuring our personal income tax brackets, we can make our tax system more equitable while raising significant revenue to improve our schools in the most effective and efficient way. Most equitably, this legislation would reduce income taxes for low- and moderate-income Marylanders while raising revenues from the absolute wealthiest and most able to pay.

We are overdue to make our income tax brackets more equitable, if for no one else than our children and working families. This includes restoring a higher 7% tax bracket for annual income above \$1 million to raise an additional estimated \$689 million per year for our schools. This is why we ask for your support for HB1190 and strongly urge a favorable committee report. Thank you each for your dedication to passing this legislation, to fairness and justice, and to the working people of our state – and thank you for considering our testimony.