



# MARYLAND STATE & D.C. AFL-CIO

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## **HB 165 – Maryland Estate Tax – Unified Credit House Ways and Means Committee January 21, 2021**

### **SUPPORT**

**Donna S. Edwards  
President**

**Maryland State and DC AFL-CIO**

Madam Chair and members of the Committee, thank you for the opportunity to provide testimony in support of HB 165 – Maryland Estate Tax – Unified Credit. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 340,000 union members in the state of Maryland, I offer the following comments.

There have been major changes to Federal Estate Tax laws over the past few years, and we have seen the exclusion amount steadily rise. With the passage of the Tax Cuts and Jobs Act of 2017, the Federal Exclusion amount doubled. Thankfully, we decoupled the Maryland estate tax from the increased federal exclusion, but that still left our state exclusion at \$5 million.

Facing a structural deficit in Maryland, and being pushed by the Federal government to cut even further, we cannot afford to continue down this path. HB 165 seeks to reign this in by reducing the exclusion amount to \$1 million. Last year it was estimated that this bill would increase revenue by \$153.6 million by FY2025.

HB 165 is not a new concept. In 2004, a \$1 million exclusion was State law. We know this has worked in the past and provided the revenue necessary to service the needs of the citizens of Maryland, and will help to fix our structural deficit.

**We urge a favorable report on HB 165.**