

MARYLAND FAIR FUNDING COALITION

Testimony in SUPPORT of HB 165

Del. Anne Kaiser, Chair

House Ways & Means Committee

The Maryland Fair Funding Coalition (MFFC) is a statewide coalition of more than 25 organizations dedicated to supporting policy proposals that create a more equitable and effective state tax code and raise revenue to adequately fund the public services Marylanders rely on.

We strongly believe that we can support public investment in a strong Maryland future by eliminating corporate loopholes and tax breaks that benefit special interests 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 in the public good.

Our coalition supports HB 165, which would restore the previous estate tax level and generate \$110 million to \$150 million per year.

Restoring this revenue source will help ensure the state has the resources needed to recover from the COVID-19 pandemic and fund essential services. Cutting back on public services at this time would slow our economic recovery and hurt Maryland families. We can't afford to continue special interest tax breaks during this time.

Therefore, we urge a favorable vote on HB 165.