MedChi

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TO: The Honorable Guy Guzzone, Chair

Members, Senate Budget and Taxation Committee

FROM: J. Steven Wise

Pamela Metz Kasemeyer Danna L. Kauffman Christine K. Krone

DATE: February 23, 2022

RE: SUPPORT – Senate Bill 598 – Income Tax – Work Opportunity Tax Credit

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, **supports** Senate Bill 598.

Senate Bill 598 creates a nonrefundable credit against the State income tax for up to 100% of the federal Work Opportunity Tax Credit claimed by an employer. The federal credit is available to employers for hiring individuals who are considered to face significant barriers to employment. According to the Fiscal Note, in the first year of employment, employers can claim a credit equal to 40% of the first \$6,000 of wages paid to an employee who is certified by a state workforce agency as being a member of a targeted group.

MedChi believes that this tax credit will serve to further incentivize employers to hire individuals from the targeted groups. For this reason, MedChi supports Senate Bill 598.

For more information call:

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