



**LEGISLATIVE POSITION:**

**Favorable**  
**Senate Bill 598**  
**Income Tax – Work Opportunity Tax Credit**  
**Senate Budget and Taxation Committee**

**Wednesday, February 23, 2022**

Dear Chairman Guzzone and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

Currently, the Work Opportunity Tax Credit is a *federal* income tax credit available to employers for hiring individuals who face significant barriers to employment. SB 598 would expand the Work Opportunity Tax Credit to mirror the federal benefit to the State income tax.

Small businesses are the backbone of Maryland's economy and many employ individuals that have barriers to employment. In a historically tight labor market, these individuals help businesses meet their talent needs. They also strengthen a business's competitive edge by creating a culture of diversity and fostering creative business solutions.

SB 598 provides conformity between the federal Work Opportunity Tax credit and State law, which results in much needed relief for business owners in Maryland. By creating this additional tax credit, business owners will be further incentivized to hire individuals with barriers to employment. SB 598 is a great example of government supporting both small businesses and their workforce by taking a proactive approach to targeted hiring and economic recovery.

The Maryland Chamber of Commerce respectfully requests a **favorable report** on **SB 598**.