



MARYLAND STATE & D.C. AFL-CIO

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**HB 172 – Income Tax – Subtraction Modification – Union Dues
Senate Budget and Taxation Committee
March 30, 2022**

SUPPORT WITH AMENDMENT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 172 – Income Tax – Subtraction Modification – Union Dues, with amendments. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 340,000 union members, I offer the following comments.

HB 172, as originally introduced in the House, would have restored the state tax deduction for union dues. Second, it would have stopped companies from being able to write off union-busting activities on their state taxes as business expenses. Unfortunately, the bill was amended in the House to remove language related to reigning in union-busting tax write offs, and it also set a limit on the union dues tax deduction to no more than \$300 per year. Labor has been fighting for their members' tax deductions since the passage of the disastrous Tax Cuts and Jobs Act of 2017 took it away from them, and they have been fighting against anti-worker companies and the state's support of their anti-worker actions with favorable policy for even longer.

Labor is asking this committee to amend HB 172 to restore it to its original version. In a year when tax credits and tax cuts are being doled out by the billions, labor is confused as to why they are not being given the full tax deduction that they had for decades prior to the Federal government taking it away from union members in 2017. Moreover, it redounds to the benefit of all workers for the state to no longer reward bad companies for union-busting by allowing them to write if off as a business expense.

For these reasons we ask for a favorable report on HB 172, amended back to its original version.