

**Testimony in Support of HB172
Income Tax – Determination of Taxable Income – Union Dues and Expenses to
Influence Collective Bargaining
January 18, 2022**

To: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

From: Kayla Mock, Political Organizer
United Food and Commercial Workers Union, Local 400

Chair Atterbeary and members of the House Ways and Means Committee, I appreciate the chance to share my testimony on behalf of our over 10,000 members in Maryland, working on the front lines of the ongoing pandemic in grocery, retail, food distribution, law enforcement, and health care. Through collective bargaining, our members raise the workplace standards of wages, benefits, safety, and retirement for all workers. Union members are critical to the addressing inequality and uplifting the middle class.

We strongly support HB 172 and urge you to vote it favorably. Unfortunately, most tax laws favor corporations as businesses as opposed to working people. By allowing union dues to be tax deductible, this directly impacts and improves the lives of working people in Maryland. It is a financial win for union members who do so much to protect and raise the standards for working people in our society.

Additionally, companies should not be allowed to write off union busting activities on their taxes. In an 2019 article by VICE titled, “U.S. Employers Spend Over \$340 Million a Year Busting Unions,” they quote a report done by the Economic Policy Institute stating, “The report also provides important new information on the union avoidance industry, which includes anti-union law and consulting firms. According to new data, U.S. employers spend nearly \$340 million each year on advisors that conduct ‘union vulnerability tests’ and provide companies with important recommendations for crushing union drives at their companies.” While certainly Maryland businesses spend a small slice of the national estimated union busting expenses, the morality of businesses being allowed to write off expenses that are used to break collective bargaining, organizing, or unionization effort is wrong. Companies should not be given incentives or breaks on monies spent to attack, demoralize, or break worker’s rights to collectively bargain.

HB 172 would put more money into the pockets of essential union members, which is
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critically needed. It would additionally disallow tax write offs for company expenses of union busting. For both of these reasons, on behalf of our members and all Marylanders, we urge you to vote favorably on HB 172.