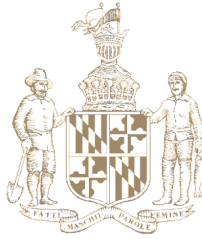


JHEANELLE WILKINS
Legislative District 20
Montgomery County

PARLIAMENTARIAN

Ways and Means Committee



The Maryland House of Delegates
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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

February 7, 2023

House Bill 268 - Maryland Estate Tax - Unified Credit

Dear Colleagues,

I am pleased to present **House Bill 268 - Maryland Estate Tax - Unified Credit**, which would lower the state's estate tax exemption limit from \$5 million to \$1 million, ensuring that millionaires and multi-millionaires pay their fair share in taxes.

Taxing inherited wealth is an important component of an equitable tax system that asks everyone to pay their fair share and is a tool for increasing racial equity in our tax code. The lion's share of wealth in America has long been in the hands of very few. The top 1 percent of households own almost 40 percent of the country's wealth. The net worth of the wealthiest 10 percent alone is four times that of the other 90 percent. Due to structural barriers built into our economy, the bulk of these household assets nationwide are controlled by wealthy, white households. Low or no taxes on inheritances make it easier for wealthy families to pass on wealth, contributing to growing concentrations of wealth and reducing the revenues available for investment in schools, transportation, and health care, which in turn creates or reinforces barriers to economic opportunity for working families in Maryland.

Through 2014, Maryland exempted the first \$1 million of an estate from taxes. At that time, only the largest 3% of estates were subject to the estate taxes, and they only paid taxes on any value above \$1 million. Maryland also has additional exemptions to protect family farms.

House Bill 268, restoring the estate tax, will help support the public investments we all rely on, and is a critical response to growing wealth inequality. Assets that pass through large estates are often funds earned not from work but from wealth, such as stocks and other investments, that were never taxed. Without the estate tax, they never would be. I urge the committee to give a **favorable report** for **House Bill 268 - Maryland Estate Tax - Unified Credit**.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jheanelle Wilkins'.

Delegate Jheanelle Wilkins