

March 27, 2024 Maryland General Assembly Annapolis, Maryland 21401

Senate Bill 1105 – Income Tax - Individual Income Tax Credit Eligibility Awareness Campaign

Members of the Committee:

I am writing on behalf of the Maryland State Conference of the NAACP. We support Senate Bill 1105 Income Tax - Individual Income Tax Credit Eligibility Awareness Campaign that seeks to require the Comptroller to implement and administer a certain individual income tax credit eligibility awareness campaign to identify and encourage individuals to apply for certain individual income tax credits; authorizing the Comptroller to enter into a certain data sharing agreement with other State agencies to carry out the awareness campaign; and requiring, for certain fiscal years, the Governor to include in the annual budget bill an appropriation of \$300,000 for the awareness campaign.

This legislation introduced by President Bill Ferguson at the request of the Office of the Comptroller has the potential to uplift communities of color, disadvantaged communities, and marginalized populations across our state.

This bill, which allocates a recurring appropriation of \$300,000 for targeted outreach and education on personal income tax credits, directly addresses the systemic barriers that have prevented many individuals from accessing critical financial resources. By focusing on tax credits such as the Earned Income Tax Credit, the Child or Dependent Tax Credit, and the Senior Tax Credit, this legislation aims to provide much-needed relief to those who are most vulnerable in our society.

For too long, communities of color and disadvantaged populations have faced disproportionate economic challenges, often due to historic and ongoing systemic injustices. Many individuals in these communities are unaware of the tax credits available to them or encounter obstacles in accessing them. Senate Bill 1105 seeks to change this by investing resources to ensure that eligible Marylanders are informed and empowered to claim the tax credits they deserve. The impact of this bill cannot be understated. By closing the gap between those eligible and those claiming these credits, Maryland has the opportunity to make significant strides towards economic equity and justice. Other states, such as Illinois, Virginia, and California, have demonstrated the effectiveness of similar outreach efforts in reaching underserved populations and increasing participation in vital tax credit programs.

In Maryland, where communities of color and marginalized communities continue to face entrenched disparities, this legislation represents a crucial step towards leveling the playing

field and providing much-needed support to those who need it most. We urge lawmakers to pass Senate Bill 1105 and demonstrate their commitment to advancing equity and opportunity for all Marylanders.

For these reasons, we support SB 1105 and strongly urge your support.

In Service,

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