

# **2026 GBCC SB 518 MD Financial Empowerment Center N**

Uploaded by: Ashlie Bagwell

Position: FAV



**THE GREATER BETHESDA**  
**CHAMBER of COMMERCE**

Better business. Stronger community.

## **Testimony on behalf of the Greater Bethesda Chamber of Commerce**

*In Support of*

*Senate Bill 518— Maryland Financial Empowerment Center Network Pilot Program--  
Establishment*

*February 25, 2026*

*Senate Budget and Taxation Committee*

The Greater Bethesda Chamber of Commerce (GBCC) was founded in 1926. Since then, the organization has grown to more than 650 businesses located throughout the Greater Bethesda area and beyond. On behalf of these members, we appreciate the opportunity to provide written comments on Senate Bill 518—Maryland Financial Empowerment Center Network Pilot Program—Establishment.

Senate Bill 518 establishes the Maryland Financial Empowerment Center Network Pilot Program, creating a statewide network of centers that offer free one-on-one financial counseling and coaching to help residents increase savings, improve credit, reduce debt and access banking services. Because the Greater Bethesda Chamber of Commerce focuses on strengthening the business climate in Montgomery County and Maryland, we support this bill as a way to strengthen the local workforce, support small business formation and entrepreneurship and reduce financial instability that hurts local economies. This bill also promotes financial literacy across regions and languages, thereby increasing broader workforce participation and ensuring greater economic equity, which we strongly support. After all, a financially literate population is better equipped to start businesses, manage credit and contribute to the local market.

For these reasons, we strongly support Senate Bill 518 and urge a favorable vote.

# **519 Earned Income Tax Credit Assistance Program Im**

Uploaded by: Carlos Orbe, Jr.

Position: FAV

## SB0519 Earned Income Tax Credit Assistance Program Implementation Delay and Study

February 23, 2026

The Honorable Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
Miller Senate Office Building  
3 West  
11 Bladen Street  
Annapolis, Maryland 21401

Re: Support for Senate Bill 519 Earned Income Tax Credit Assistance Program Implementation Delay and Study

Dear Chair Guzzone,

Maryland Latinos Unidos respectfully supports Senate Bill 519, which addresses implementation and study considerations related to the Earned Income Tax Credit Assistance Program.

The Earned Income Tax Credit is one of the most effective anti poverty tools in the United States. Research from the Center on Budget and Policy Priorities and the National Bureau of Economic Research demonstrates that the EITC increases workforce participation, reduces child poverty, and improves long term educational and earnings outcomes for children in working families.

Latino workers are disproportionately represented in low to moderate wage occupations, and many qualify for the Earned Income Tax Credit. For immigrant and mixed status households, refundable tax credits often represent the largest lump sum resource families receive each year. These funds are commonly used to pay down debt, secure stable housing, repair vehicles needed for work, and invest in education and childcare.

Ensuring that any implementation adjustments or delays are carefully studied and structured protects families from unintended disruption. Administrative gaps or delays in outreach and assistance can result in eligible families failing to claim credits, which directly reduces economic stability in communities that already face systemic barriers.

Implications for Latino and immigrant communities

Senate Bill 519 strengthens economic equity by ensuring that policy design and implementation are aligned with real world access. For Latino families, accessible and timely EITC assistance means:

- Reduced child poverty
- Greater housing stability
- Increased consumer spending in local economies
- Long term upward mobility for children

Maryland Latinos Unidos can support effective implementation by partnering with tax assistance programs and community based organizations to expand culturally and linguistically accessible outreach so that eligible families understand their rights and options.

For these reasons, Maryland Latinos Unidos respectfully urges a favorable report on Senate Bill 519.

Sincerely,

Carlos Orbe, Jr.  
Communications and Public Affairs Specialist  
Maryland Latinos Unidos  
[corbejr@mdlatinosunidos.org](mailto:corbejr@mdlatinosunidos.org)

**SB519\_FAV\_EconAction.pdf**

Uploaded by: Jennifer Bevan-Dangel

Position: FAV



**SB519: Earned Income Tax Credit –  
Assistance Program Implementation Delay and Study**

**Position: Favorable**

February 25, 2026

The Honorable Guy Guzzone, Chair  
Budget and Taxation Committee  
3 West Miller Senate Office Building  
Annapolis, MD 21401  
Cc: Members of the Committee

Chair Guzzone and members of the Budget and Taxation Committee,

Economic Action Maryland Fund urges a favorable report on SB519, which would instruct the Comptroller and the Department of Service and Civic Innovation to explore ways to better ensure low-income Marylanders are claiming the Earned Income Tax Credit.

Maryland's Earned Income Tax Credit is a valuable tool for low- to moderate-income Marylanders and provides up to \$4,000 for eligible Marylanders. The average refund is \$1,100. Marylanders can qualify even if they do not owe taxes, and as a result many Marylanders – especially those from our most low-income households - do not apply for this funding lifeline.

According to an analysis done by the Comptroller, as many as 99,000 eligible taxpayers did not apply last year.<sup>1</sup> Many taxpayers are aware of the federal earned income tax credit but were not aware of the state credit. Economic Action Maryland Fund is well acquainted with the difficulties of reaching Marylanders with information about tax credits. Our Securing Older Adult Resources staff work with older adults to raise awareness of and process applications for Maryland's homeowner's and renter's tax credits. We helped return \$863,865 to Marylanders who qualified for the program but would not otherwise have known or applied for it.

Affordability is a priority of this legislative session. This legislation helps those households struggling the most with affordability with funding assistance to pay for the essentials they desperately need. For these reasons, we urge a favorable report on SB519.

Sincerely,  
Jennifer Bevan-Dangel, Deputy Director

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<https://marylandmatters.org/2025/07/18/nearly-99000-low-income-marylanders-left-tax-credits-on-the-table-lierman-says/>

*Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.*

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Marceline White · [Marceline@EconAction.org](mailto:Marceline@EconAction.org) | Jennifer Bevan-Dangel · [Jennifer@EconAction.org](mailto:Jennifer@EconAction.org)

# **SB 519 MDCEP Support Testimony**

Uploaded by: Kali Schumitz

Position: FAV



FEBRUARY 25, 2026

# Increasing Reach of Working Family Tax Credits Will Benefit Maryland Families and our Economy

## Position Statement Supporting Senate Bill 519

*Given before the Senate Budget and Taxation Committee*

The federal and state Earned Income Tax Credits (EITC) and Child Tax Credits (CTC) help hundreds of thousands of working Marylanders who struggle to get by due to low wages and also boost the economy. However, many Marylanders don't receive the benefits of these effective anti-poverty tools even though they are eligible. Maryland has taken a number of positive steps to expand uptake of the EITC, including funding tax preparation assistance programs, requiring businesses to notify their employees about the EITC, and sharing information through state agencies. However, recent federal actions are making it harder for the Office of the Comptroller to implement more effective policies for ensuring more eligible Marylanders receive the credit.

**The Maryland Center on Economic Policy supports Senate Bill 519 because it will maintain Maryland's progress towards increasing uptake of the EITC while adapting to a changing federal landscape.**

About 380,000 Maryland families received an income boost from the federal EITC last year.<sup>1</sup> However, about 18% to 25% of those who are eligible don't receive it each year, according to IRS data.<sup>2</sup> People with very low incomes often don't earn enough to be required to file a tax return every year and may not be aware that they are missing out on refundable credits.

Legislation the General Assembly passed in 2022 required the Comptroller to use available data to proactively identify people who are likely eligible for the EITC but did not claim it and to provide them with a simple form to receive the credit. However, because of changing IRS policy, they do not currently have access to the necessary data to implement this program. SB 519 delays implementation deadlines until 2030, after which point new state tax systems are expected to make it feasible for the Comptroller to successfully implement the program.

In the meantime, SB 519 will create a process for evaluating current EITC outreach practices and exploring additional ways the state could strengthen outreach that don't rely on IRS data.

It is important to ensure all eligible Marylanders are receiving working family tax credits because it can have such a powerful impact on people's lives. Nationwide millions of people are lifted out of poverty each year

because of the federal EITC and CTC, with Maryland residents seeing even further benefits due to our state credits.<sup>3</sup> Research shows that reducing poverty through these tax credits, especially for children, has significant long-term benefits, such as experiencing better health, doing better in school, and earning higher incomes later in life. It is also good for our economy, as families living paycheck to paycheck are likely to spend their refunds on immediate needs like car repairs, clothing, or school supplies, which boosts sales at local businesses.

**For these reasons, the Maryland Center on Economic Policy respectfully requests that the Budget and Taxation Committee make a favorable report on Senate Bill 519.**

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## **Equity Impact Analysis: Senate Bill 519**

### *Bill summary*

Senate Bill 519 delays implementation of the Maryland Earned Income Tax Credit Assistance Program for Low-Income Families and requires the Office of the Comptroller to conduct a study regarding the most effective strategies for outreach to taxpayers who are likely eligible for the EITC.

### *Background*

About 18% of Marylanders who were eligible for the federal EITC did not claim it in 2022, the most recent year for which IRS data are available. Maryland's EITC participation rate has varied from year to year from more than 82% in tax year 2022 to as low as 73% in tax year 2020. Similar data are not available for the Child Tax Credit or the state level credits. Maryland has taken positive steps to expand eligibility for the state EITC and create a modest state CTC in recent years, meaning there are some people who can receive the state credit but not the federal one.

### *Equity Implications*

- Due to various structural barriers to opportunity, Black and Latinx workers are far more likely than white workers to earn poverty-level wages and are therefore more likely to qualify for the EITC and Maryland's state CTC. While state and federal tax credits serve a larger number of white households than households in any other racial or ethnic group, they serve a larger proportion of people of color.
- EITCs also have a disproportionate impact in reducing poverty rates among households of color.<sup>4</sup>

### *Impact*

If it ultimately results in increased uptake of the EITC, Senate Bill 519 would likely **improve racial and economic equity** in Maryland.

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<sup>1</sup> IRS, Statistics for Tax Returns with the Earned Income Tax Credit, 2024 returns processed in 2025, <https://www.irs.gov/tax-professionals/eitc-central/statistics-for-tax-returns-with-the-earned-income-tax-credit-eitc>

<sup>2</sup> IRS, EITC Participation Rates By State For Tax Years 2014 through 2022, <https://www.eitc.irs.gov/eitc-central/participation-rate-by-state/eitc-participation-rate-by-states>

<sup>3</sup> Center on Budget and Policy Priorities, "Policy Basics: The Child Tax Credit," 2022.

<https://www.cbpp.org/research/policy-basics-the-child-tax-credit>

<sup>4</sup> Michael Leachman et. al. "Advancing Racial Equity With State Tax Policy," Center on Budget and Policy Priorities, Nov. 15, 2018. <https://www.cbpp.org/research/state-budget-and-tax/advancing-racial-equity-with-state-tax-policy>

**SB519 MALMB Testimony.docx.pdf**

Uploaded by: Lisa Kovacs

Position: FAV



**Local power, collective voice  
for Maryland's children, youth and families**

March 4, 2025

**SUPPORT – SB0519 - Earned Income Tax Credit - Assistance Program Implementation Delay and Study**

Dear Senators:

On behalf of the Maryland Association of Local Management Boards, I am writing in support of **SB0519 - Earned Income Tax Credit - Assistance Program Implementation Delay and Study** to delay the implementation of the Earned Income Tax Credit and have the Comptroller's office study outreach efforts to ensure as many families receive the earned income tax credit as possible.

Local Management Boards in each county and jurisdiction in the State of Maryland work in low income neighborhoods to address the needs of children and families in their respective jurisdiction. The Earned Income Tax Credit is essential to getting money to families who need it the most. Tax credits are a proven way to address childhood poverty by boosting a family's income. An outreach plan is needed to ensure as many low income families as possible are aware of and claiming this tax credit.

**We urge you to support SUPPORT – SB0519 - Earned Income Tax Credit - Assistance Program Implementation Delay and Study** to study the outreach of the Earned Income Tax Credit to create an outreach plan to ensure as many families as possible are receiving the credit.

Sincerely,

Pamela M. Brown, PhD  
Chair

**SB519 - LOS.pdf**

Uploaded by: Matthew Dudzic

Position: FAV



## Letter of Support

### Senate Bill 519 – Earned Income Tax Credit – Assistance Program Implementation Delay and Study

*Budget & Taxation Committee  
February 25, 2026*

Since taking on my role as Comptroller of Maryland, I have been dedicated to ensuring that Marylanders don't leave money on the table by helping them claim the tax credits they have earned, especially the Earned Income Tax Credit (EITC).

**What this bill does:** SB519 requires the Comptroller of Maryland to study and make recommendations on the best way to encourage eligible taxpayers to claim the EITC. SB519 also delays adoption of certain provisions related to eligible filers who did not claim the credit.

**Why this bill is important:** The EITC is widely considered one of most effective tools for combating poverty, and I have launched several initiatives to encourage more Marylanders to claim the state's EITC. Last year we partnered with the Governor's Office for Children to [release a report](#) that reviews our outreach strategies and the impact they have had on Maryland's families. We also [partnered with Urban Institute](#) to identify where eligible Marylanders are not claiming the tax credits they have earned and the barriers to claiming individual tax credits in order to further refine our outreach.

The work we have done since the Maryland Earned Income Tax Credit for Low-Income Families program was established in 2022 has shown significant returns, and Maryland has consistently seen the number and share of EITC-eligible tax filers who missed the state tax credit decrease. Now, with several years of data on who is claiming the EITC and the efficacy of our outreach programs, this is the perfect time to review what has worked, where there are still gaps in claims, and what we can do to ensure that no Marylander leaves money on the table during tax season. I am excited to undertake this study and look forward to presenting the Maryland General Assembly with our findings and recommendations.

SB519 also includes language to delay implementation of the provision allowing EITC-eligible taxpayers to retroactively claim the credit. Unfortunately, the termination of the federal Direct File program in late 2025 disrupted our ability to implement this provision. This delay will allow us to study the best way to reach these eligible filers before we dedicate significant resources toward implementation.

**I urge a favorable report on SB519.** Thank you. If you have any questions, please reach out to Matthew Dudzic, Director of State Affairs, at [MDudzic@marylandtaxes.gov](mailto:MDudzic@marylandtaxes.gov).



## **2.23 SB 519 - Earned Income Tax Credit - Assistanc**

Uploaded by: Robin McKinney

Position: FAV



**SB 519 - Earned Income Tax Credit - Assistance Program Implementation Delay and Study**  
**Senate Budget and Taxation Committee**  
**February 25, 2026**  
**SUPPORT**

Chair Guzzone, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 519. This bill seeks to strengthen Maryland's tax infrastructure while ensuring that implementation is both effective and secure.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000. Last year, around 44% of CASH's tax clients were 60 or older.**

The EITC remains one of the most powerful anti-poverty tools available to low- and moderate-income workers. In 2022, the General Assembly passed HB 252, which established the EITC Assistance Program and directed the Comptroller to identify eligible Marylanders who did not claim the credit and provide a streamlined process to help them do so. Roughly 15% of eligible Marylanders do not claim the credit, leaving millions of dollars unclaimed that could help families afford rent, groceries, utilities, and child care.

Unfortunately, there are now structural barriers that make full implementation challenging. The discontinuation of the federal Direct File system has significantly limited the Comptroller's ability to access the federal data necessary to verify eligibility and prepare prefiled returns. Giving the Comptroller's Office additional time will allow the state to build a stronger, more secure, and more sustainable system.

CASH has partnered with the Department of Service and Civic Innovation and has extensive experience operating Volunteer Income Tax Assistance (VITA) sites across Maryland. Through this work, we help thousands of low-income Marylanders file taxes safely and claim the EITC. CASH stands ready to share our on-the-ground expertise and work alongside state partners to develop recommendations that expand access and increase participation in the EITC.

SB 519 provides a responsible path forward: pause implementation until the necessary infrastructure is in place, rigorously evaluate outreach and system barriers, and strengthen partnerships that expand access to trusted, community-based tax assistance.

***Thus, we encourage you to return a favorable report for SB 519.***

*Creating Assets, Savings and Hope*

**SB519 - King - Sponsor Testimony.pdf**

Uploaded by: Senator Nancy King

Position: FAV

NANCY J. KING  
Legislative District 39  
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

*Chair*

Education, Business, and  
Administration Subcommittee



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**Senate Bill 519 – Earned Income Tax Credit – Assistance Program Delay and Study**

February 25, 2026

Mister Chairman and Members of the Budget and Taxation Committee:

The Earned Income Tax Credit Assistance Program was established in 2022 in an effort to increase the number of low-income residents claiming Maryland's Earned Income Tax Credit (EITC). That law directed the Comptroller Office's to identify eligible Marylanders who did not claim the EITC and provide a streamlined mechanism to help them do so.

The Comptroller's Office implementation plan for the program relied on the federal Direct File program, which provided taxpayers with an easy and free way to file their federal and state income tax returns. The program would have also allowed the IRS to share verified income and filing data with state tax agencies (with taxpayer consent).

Unfortunately, the Direct File program was eliminated by the Trump Administration. The discontinuation of federal Direct File has left Maryland without the tools necessary to operationalize the EITC Assistance Program. The Maryland Tax Connect system, expected to launch in the summer of 2026, may offer opportunities to fill this data gap in the future, should federal data sharing also become available again. Given these implementation challenges, the Comptroller's Office has requested a delay in implementation of the program's requirements until 2030.

Senate Bill 519 will allow the Assistance Program to remain in effect for an additional five years and directs the Comptroller's Office to continue exploring opportunities for enhanced EITC outreach. The legislation further requires the Comptroller's Office to evaluate the efficacy of existing EITC awareness and outreach campaigns, as well as review best practices from other states, explore opportunities to further simplify EITC claims, and evaluate privacy risks associated with federal-state data sharing.

Additionally, the bill directs the Maryland Department of Service and Civic Innovation to explore opportunities for their program participants to assist low-income Marylanders in receiving the EITC and other tax credits, and to report back to the legislature by the end of the year.

It is unfortunate that federal government decisions have forced a delay of this important program, but in the meantime, this legislation will help ensure the long-term success of a program that will help so many Marylanders, and so I respectfully request a favorable report on Senate Bill 519.