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Advocates for Children and Youth
Baltimore Jewish Council
Behavioral Health System Baltimore
CASH Campaign of Maryland
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Episcopal Diocese of Maryland
Family League of Baltimore
Fuel Fund of Maryland
Health Care for the Homeless
Homeless Persons
Representation Project
Job Opportunities Task Force
League of Women Voters of Maryland
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Maryland Catholic Conference
Maryland Center on Economic Policy
Maryland Community Action
Partnership
Maryland Family Network
Maryland Hunger Solutions
Paul's Place
Public Justice Center
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Welfare Advocates

Marylanders Against Poverty

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TESTIMONY IN SUPPORT OF SB 638

Maryland Child Tax Credit

Senate Budget and Taxation Committee

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Submitted by Stacey Jefferson and Margo Quinlan, Co-Chairs

Marylanders Against Poverty (MAP) supports SB 638, which creates a refundable Maryland Child Tax Credit (CTC). Individuals will be able to claim this credit at the state level if they make \$6,000 or less and their child is 6 years old or younger or 17 and has a disability.

This credit will help bridge a gap left by federal policy. For federal policy, the first \$3,000 in earnings do not count when determining the CTC. This means that there are families that earn too little to receive a substantial credit. Some families do not qualify to receive the credit at all. Maryland has the opportunity to cover families that federal policy does not. SB 638 will help more low income families have financial stability.

This bill will provide relief for low income families, which will increase education and health outcomes. When parents have resources, those resources are available to their children. The CTC has been linked to greater education outcomes, and this will have lasting effects on their children's future economic mobility. Establishing a state CTC will boost the health of low income families. When families have more access to money they can seek more medical services, buy more health supplies, and they have a greater opportunity to obtain food security for a moment. More families will be able to pursue specialized services or equipment that would benefit their child. The price of those services and equipment are a burden on a low income family's budget. Many times, children cannot receive the care they need. The Maryland CTC will give children the opportunity to have necessary resources.

SB 638 will help low income families tackle or avoid financial hardships. The CTC is considered one of the federal government's anti-poverty tools. This credit purpose is to supplement a family's income to bring them closer or above the poverty line. This is crucial, because families living under the poverty line face difficult financial hardships that are difficult to navigate. This is exasperated when families live in deep poverty. This means they live under 50% of the federal poverty line. An extra \$500 for these families will increase their available income, and help them navigate through obstacles.

MAP appreciates your consideration and urges a favorable report for support SB 638.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.