



## TESTIMONY IN SUPPORT OF SB 638

### Maryland Child Tax Credit

Senate Budget and Taxation Committee

February 26th, 2020

Submitted by Stacey Jefferson and Margo Quinlan, Co-Chairs

### Member Agencies:

Advocates for Children and Youth  
Baltimore Jewish Council  
Behavioral Health System Baltimore  
CASH Campaign of Maryland  
Catholic Charities  
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  
Loyola University Maryland  
Maryland Catholic Conference  
Maryland Center on Economic Policy  
Maryland Community Action  
Partnership  
Maryland Family Network  
Maryland Hunger Solutions  
Paul's Place  
Public Justice Center  
St. Vincent de Paul of Baltimore  
Welfare Advocates

### Marylanders Against Poverty

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**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.**