

# MARYLAND FAIR FUNDING COALITION

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Testimony in SUPPORT of HB 695

Del. Anne Kaiser, Chair

House Ways & Means Committee

The Maryland Fair Funding Coalition (MFFC) is a state-wide coalition of 25 organizations that support policy proposals to equitably and sustainably raise revenue in order to make significant investments in public education and other essential services.

The MFFC supports proposals focused on eliminating corporate loopholes and tax breaks that benefit special interests, and fixing our upside-down tax code, which currently allows the wealthiest individuals to pay the smallest share of their income to state and local taxes. Fixing our tax system will support significant new state investments in education and ensure that large corporations and wealthy individuals are paying their fair share for the public services we all rely on.

**Our coalition supports the intent of HB 695, which would allow the state to collect tax on digital advertising from large, profitable companies.**

This legislation is a necessary step towards modernizing our tax code, which is still currently based on archaic principles of business. The digital age of advertising has brought profits for large, multi-state corporations who regularly avoid their state tax responsibilities. As a coalition, we see this legislation as part of an overall push to enact modern policy to ensure that these corporations pay their fair share.

As we consider education reform and ways to fund a world-class education system, we must also commit to choosing revenue sources that are aligned with the goals of the Kirwan Commission as well. It is time to take the necessary steps to ensure that the way we fund education and other state needs is just as equitable and forward-thinking as the Kirwan Commission policy proposals. Our coalition urges our legislators to commit to our students and the future of our economy.

Therefore, we urge a favorable report on HB 695