

# MARYLAND FAIR FUNDING COALITION

---

## Testimony in SUPPORT of HB 201

Del. Anne Kaiser, Chair  
House Ways & Means Committee

The Maryland Fair Funding Coalition (MFFC) is a statewide coalition of more than 25 organizations dedicated to supporting policy proposals that make our state tax code more equitable and raise revenue to fund schools, health care, transportation, and other essential public services..

We strongly believe that it's time to invest in a strong future for the state by eliminating corporate loopholes and tax breaks that benefit special interests and fixing our upside-down tax code, which allows the wealthiest individuals to pay the smallest share of their income in state and local taxes.

As Wall Street investors are turning record profits, working families and small local business are struggling to make ends meet because of the COVID-19 pandemic. That's why **our coalition supports HB 201, which would end the special treatment of capital gains income** and generate roughly \$120 million in state revenue right away, and more in future years.

The special treatment of capital gains income allows wealthy investors to avoid paying their fair share of taxes on their income. It is also a driver of racial and ethnic inequality because the wealthiest 10% of white households controls nearly two-thirds of wealth nationwide.

It is time for every Maryland resident to pay their fair share of taxes, especially when critical state needs remain unmet. With a wide range of state services stretched thin, the best way to support families, local businesses, and a healthy economy is to reform Maryland's tax code to make it more effective and equitable.

Therefore, we urge a favorable vote on HB201.