MARYLAND STATE & D.C. AFL-CIO

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HB 435 – State Individual Income Tax – Millionaires' Tax
House Ways and Means Committee
February 4, 2021

SUPPORT

Donna S. Edwards
President
Maryland State and DC AFL-CIO

Madam Chair and members of the Committee, thank you for the opportunity to provide testimony in support of HB 435 – State Individual Income Tax – Millionaires' Tax. My name is Donna S. Edwards, President of the Maryland State and DC AFL-CIO. On behalf of the 340,000 union members in the state of Maryland, I offer the following comments.

Under existing law, income above $250,000 is taxed at the rate of 5.75% for a single income. For joint income, that rate applies to income above $300,000. This is the top rate for income tax in the State of Maryland, and we do not apply any additional taxation on the wealthiest in our State. We often hear that the rich are "job creators", and, as such, we should not burden them with additional taxes so that they will "trickle down" their largesse onto working Marylanders. We have lived with this theory of supply-side economics for forty years, while steadily watching the rich get richer and the middle class and working class stagnate.

It is time for a new tax bracket on the wealthy. It is time to fully fund the services of our State. With the COVID-19 pandemic wreaking havoc on the economy, and workers losing their jobs, our State budget has been hit hard. We cannot continue to force working Marylanders to shoulder the burden of the costs to run our State. It is time to ask that the wealthiest among us to pay a little more on their income over $1,000,000 per year.

We cannot allow supply-side economic theory to trump the reality we all know is true: When the rich pay a little more in taxes, all of communities and our State benefit.

We ask for a favorable report on HB 435.