



BRANDON M. SCOTT
MAYOR

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SB 133

April 1, 2021

TO: Members of the Ways and Means Committee
FROM: Natasha Mehu, Director of Government Relations
RE: Senate Bill 133 – Local Tax Relief for Working Families Act of 2021
POSITION: SUPPORT

Chair Kaiser, Vice Chair Washington, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 133.

SB 133 would allow the counties and Baltimore City to establish income tax. Under current state law, local jurisdictions are only authorized to set a flat local income tax rate between 1% and 3.2%.

This bill enables Baltimore City and other local jurisdictions to have the authority and flexibility to apply progressive tax brackets or to retain their current structures – whatever is determined to be the best fit locally. The change in structure would allow local governments to tailor their tax policy in a manner that can be more equitable and fairer rather than just for revenue generation.

For these reasons BCA respectfully request a **favorable** report on Senate Bill 133.