



TESTIMONY TO THE HOUSE WAYS AND MEANS COMMITTEE

HB0215 - Carried Interest – Additional Tax

POSITION: Support

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Maryland League members understand the importance of the relationship between various revenue sources available to state government and the services provided by those revenues.

Promoting a sound economy and maintaining an equitable and flexible system of taxation are among the League's basic principles. LWVMD's positions include support for: 1) a progressive tax system, and 2) an equitable and efficient fiscal structure.

A sound revenue system must allow the State to invest in essential public goods such as education, transportation, and health care. In all three of these areas there has been serious underinvestment as demonstrated in public health with this pandemic; our roads, bridges, and transit; and the findings of the Kirwan Commission.

There has been much discussion as of late about the dual economy this pandemic has revealed. While certainly an oversimplification, there is something clearer of late to the maxim that "the rich get richer and the poor get poorer."

The proposed tax on carried interest is fair and equitable. It is fully compatible with the League's principles, and sound tax policy that has been vetted over the years.

We urge a favorable report on HB 215.