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The Honorable Chairwoman Anne Kaiser and
Members of the House Ways & Means Committee

RE: SUPPORT FOR HB-179

As Legislative Director in Maryland for the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Worker's (SMART) we urge your committee to support HB-179 "*Income Tax – Subtraction Modification – Union Dues.*"

This bill creates a tax credit against the State income tax for an individual who pays specified union dues.

This tax credit was available to Marylanders in the past until the passage of the Federal Tax Cuts and Jobs Act of 2017. This law eliminated union dues as a qualified deductible expense for Federal Income Tax purposes.

Unfortunately, Maryland law states a taxpayer can itemize an expense for State income tax purposes only if the expense can be claimed as a federal itemized deduction. So, the effects of the Act triggered a consequence to Marylanders that the General Assembly did not have a voice in.

HB-179 corrects this unintended consequence by returning the ability of a taxpayer for State income tax purposes to claim an income tax credit for the amount of union dues that previously qualified as a miscellaneous itemized deduction.

We urge a favorable report for HB-179

Sincerely,

Lawrence E. Kasecamp
MD State Legislative Director
SMART Transportation Division