**A Union of Professionals**
**AFT-Maryland**

**Written Testimony Submitted to the**
**Maryland House Ways and Means Committee**
**HB 435 - State Individual Income Tax – Millionaires' Tax**
**February 4, 2021**

**SUPPORT**

Chair Kaiser and members of the committee, on behalf of the American Federation of Teachers - Maryland (AFT-MD), which represents more than 20,000 educators, government, and healthcare workers across Maryland, we urge a favorable report on HB 435.

A fair revenue system is a vital tool to allow Maryland to provide essential services for our economy including education, health care and public safety. In addition, it is needed to combat ever increasing concentration of wealth and power in the hands of a few and further divide us by income, race, gender, and disability.

The Maryland State government is already understaffed, our education system is suffering under the pandemic, and Marylanders with disabilities are unable to access supports that could help them succeed in the workforce. HB 435 would strengthen our ability to invest in jobs by restructuring our income tax to make the wealthy pay their fair share and make Maryland's revenue system more equitable.

Our tax code asks more of working families than of those who inherit their wealth. The 1 percent of Maryland households with the highest incomes derive about half their income from built-up assets and only 40 percent from salaries. Centuries of discriminatory policies have concentrated nearly two-thirds of all household assets among the wealthiest 10 percent of white households, leaving little for everyone else.

Major investments are needed to strengthen the foundations of our economy in future years from world-class schools to high-quality health care, we should look first to reforms that can raise significant revenue while making Maryland's tax code more equitable. We ask for a favorable report on HB 435.

Marietta English
President