

Tax Credits for Maryland Families (TCMF) Coalition

Senate Budget and Taxation Committee
SB 404- Working Marylanders Tax Relief Act of 2022
February 9, 2022
POSITION: OPPOSE

Chair Guzzone, Vice-Chair, and members of the committee, thank you for the opportunity to testify in **opposition** to Senate Bill 404. The undersigned organizations **OPPOSE** SB 404.

The Tax Credits for Maryland Families (TCMF) coalition is glad to see the highlighting of the state Earned Income Tax Credit (EITC) as an essential anti-poverty tool and that permanent expansion of the EITC is included as part of the proposed budget for fiscal year 2023. However, our coalition will not support any legislation that takes away the credit from Marylanders who are now eligible to receive it.

Legislation that makes the 2021 expansions of Maryland's EITC permanent must:

- ***Maintain eligibility for ALL taxpayers, including immigrant taxpayers***
- Maintain the 45% match of the federal credit for families and 100% match for workers not raising children
- Expand the income eligibility for single filers not claiming dependents, who are currently phased out below minimum wage salaries

The state and federal pandemic relief efforts over the last two years, particularly the expansions of working family tax credits, have clearly demonstrated the powerful benefits of increasing economic security for families. These credits help people navigate times of crisis, reduce the number of children growing up in poverty, and strengthen our economy.

The state EITC is even more important for immigrant families who are often excluded from other safety net and economic relief programs. About 45,000 Maryland families received the state EITC for the first time this year. **Taking the credit away from immigrant taxpayers would be harmful to those families and their communities.**

Families will continue to need economic support well after the pandemic has run its course. Maryland should maintain the more effective EITC the General Assembly established in 2021. For these reasons, we request an unfavorable report on SB 404.

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Tax Credits for Maryland Families is a coalition of more than 20 organizations committed to educating policymakers and the public about the state's working family tax credits, the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC). The coalition identifies opportunities to strengthen the state tax credits and ensure the credits are reaching all eligible taxpayers.

For more information about the TCMF Coalition or the EITC please contact Tonaeya Moore at tonaeya@cashmd.org.

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Organizations

ACLU of Maryland
Allegany County Human Resources Development Commission, Inc (HRDC)
Baltimore Asian Resistance in Solidarity
CASA de Maryland
CASH Campaign of Maryland
Cedar Lane UU Church Environmental Team
Common Cause Maryland
Congregation Action Network
Cross Community
Doctors for Camp Closure
DoTheMostGood
Equity Center
Goodwill Industries of the Chesapeake
Immigrant Justice Ministry of Cedar Lane Unitarian Universalist Church
Jews United for Justice
Job Opportunities Task Force
Just Peace Circles, Inc
Leaders of a Beautiful Struggle
MakingChange, Inc
Maryland Against ICE Detention
Maryland Center on Economic Policy
Maryland Latinos Unidos (MLU)
Maryland Legislative Coalition
Maryland Nonprofits
Montgomery County Community Action Board
Prince George's CASH Campaign
RICA DIASPORA LLC
Showing Up for Racial Justice Baltimore
Strong Future Maryland
SURJ Baltimore
Takoma Park Mobilization
Unitarian Universalist Legislative Ministry of Maryland

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