



A Union of Professionals
AFT-Maryland

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**Written Testimony to the House Ways and Means Committee
HB 457 - Corporate Income Tax - Throwback Rule
February 9, 2022**

SUPPORT

Good afternoon Chair Atterbeary and members of the House Ways and Means Committee. On behalf of the 20,000 state, municipal, and public education workers residing in Maryland, AFT-Maryland asks for a favorable report for HB 457.

As the statewide organization for the Baltimore Teachers Union (BTU), as well as unions representing thousands of state employees, AFT-Maryland has a long history of supporting bills that not only make sure our state maintains the fiscal health needed to offer vital educational and residential services to Marylanders, but make sure our tax code is fair and equitable.

Maryland can simply no longer afford allowing the wealthy and most privileged who do business in our state to exploit outdated income tax loopholes. Our state agencies have failed to meet basic staffing needs, and as the Kirwan Commission has pointed out, students in our state have not been receiving the resources they deserve to be successful in their education. Maryland must stop putting the priorities of out-of-state corporations above the needs of its own residents.

HB 457 will help close the loopholes and make these out-of-state corporations pay their fair share. Currently, 28 states and the District of Columbia utilize the throwback rule, many of which are controlled by Republican legislatures.

The Maryland Department of Legislative Service reports that with this legislation we can generate hundreds of millions of dollars in revenue to meet the needs of our state agencies and educational systems.

It is for these reasons that we ask the committee for a favorable report on HB 457.

Marietta English
President