



SEIU MARYLAND & DC STATE COUNCIL

1410 Bush Street, Suite F
Baltimore, Maryland 21230

Testimony in SUPPORT of HB 457
Corporate Income Tax – Throwback Rule and Combined Reporting
House Ways and Means Committee
February 9, 2022
1:00 PM

Submitted to Atterbeary, Chairman
By Terry Cavanagh, Executive Director

SEIU Maryland & DC State Council requests a **Favorable Report on HB 457.**

With over two million members, SEIU is the largest union in North America. We are uniting workers in health care, public services, including in public education, and property services to improve lives and the services we provide. In the Maryland, Washington, DC, and Virginia area, we represent over 50,000 workers.

We are thousands of essential workers in nursing homes, hospitals, schools and public buildings. We are the broad working class. We pay our taxes, whether they be income taxes, sales taxes or property taxes.

We have supported “Combined Reporting” for many, many years. We continue to do this for a simple reason:

Many profitable corporations in Maryland do not pay their fair share in taxes.

We have all heard the arguments against Combined Reporting before.

- If this bill passes, businesses will leave the state.
- If this bill passes, businesses won’t bring jobs to Maryland.
- If this bill passes, it won’t raise anywhere near what proponents claim.

- If this bill passes, it may mean an actual loss of revenue.
- It's complicated and it's too hard.
- I know a guy who talked to someone in some other state and they're so happy Maryland hasn't passed this bill.

If any of this were true, it would also apply to other states. Surely at least one of those states, after seeing the results of what they had wrought, would repeal such a terrible and flawed law. Not one of the states which have adopted combined reporting, which now constitute a majority of the states, has repealed their law. Why?

What do we say to the small businesses who compete against those corporations which can apply these tax avoidance schemes, that they may not?

What do we say to those hard-working, middle and lower income Marylanders who pay their fair share of taxes when they learn that the Maryland General Assembly allows corporations year after year after year to use machinations to avoid paying their share?

We ask you to put an end to this tax avoidance scheme and pass Combined Reporting. Now.

We ask a Favorable Report on House Bill 457. Thank you.