

SenatorBailey_FAV_SB76.pdf

Uploaded by: Jack Bailey

Position: FAV

JACK BAILEY
Legislative District 29
Calvert and St. Mary's Counties

Budget & Taxation Committee



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

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January 19, 2023

Senate Bill 76 – Income Tax – Subtraction Modification – Public Safety Volunteers

Dear Chairman Guzzone and Members of the Committee:

I am writing to introduce Senate Bill 76 – Income Tax – Subtraction Modification – Public Safety Volunteers. This bill would simplify the tax deductions we provide for our State's public safety volunteers by combining provisions of law establishing two existing subtraction modifications, one for police auxiliaries and reserve volunteers and one for volunteer fire, rescue, and emergency medical services members. The bill also increases the amount of the combined subtraction modification to \$10,000.

In prior years, these two deductions have been set at identical amounts. However, they are not currently linked in statute. As a result, an increase in the subtraction modification for volunteer fire, rescue, and emergency medical services members does not automatically result in an increase for police auxiliaries and reserve volunteers.

In 2018, the General Assembly passed legislation to phase in an increase to the deduction for volunteer fire, rescue, and emergency medical services members to \$7,000 in 2022 and going forward. No corresponding legislation has been passed for police auxiliaries and reserve volunteers, so their subtraction modification is currently set at \$5,000. Senate Bill 76 combines these into a single deduction to ensure that this disparity will not happen again in the future and raises the deduction for all public safety volunteers to \$10,000 going forward.

During the last legislative session, this Committee and the full Senate passed Senate Bill 117, which would have increased the deduction for police auxiliaries and reserve volunteers to match the deduction for volunteer fire, rescue, and emergency medical services members. While Senate Bill 76 now combines the two subtraction modifications, the intent of the bill is still the same, and the \$10,000 amount for the deduction matches the bill as it passed this Committee last year.

Senate Bill 76 will simplify Maryland's tax code, provide parity between police volunteers and volunteer fire, rescue, and EMS workers, and increase the deduction for all of our public safety volunteers who are essential to protect the people of this State. I respectfully request a favorable report on Senate Bill 76. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bailey".

Senator Jack Bailey

CalvertCounty_FAV_SB0076.pdf

Uploaded by: John Norris

Position: FAV



**CALVERT COUNTY
BOARD OF COUNTY COMMISSIONERS**

175 Main Street
Prince Frederick, Maryland 20678
410-535-1600 • 301-855-1243
www.calvertcountymd.gov

Board of Commissioners
Mark C. Cox Sr.
Catherine M. Grasso
Earl F. Hance
Mike Hart
Todd Ireland

January 13, 2023

The Honorable Senator Guy Guzzone, Chair
Budget & Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

Re: SB0076 – Income Tax – Subtraction Modification – Public Safety Volunteers

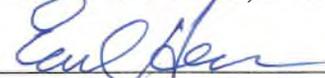
Senator Guzzone:

The Board of County Commissioners for Calvert County writes to **SUPPORT SB0076**. Increasing to \$10,000 a subtraction modification under the Maryland income tax for an individual who is a qualifying public safety volunteer can aid in recruitment and retention of volunteers. The cost associated with this initiative is *de minimus* when compared to the substantial savings of public funds for the work of these public safety volunteers, and a small token of gratitude for their willingness to serve the community.

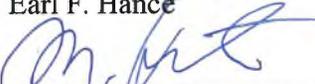
Should you have any questions or require further information, please do not hesitate to contact County Administrator Julian M. Willis at 410-535-1600, extension 2202 or County Attorney John Norris at 410-535-1600, extension 2566. Thank you for your kind consideration of our position regarding this important Bill.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
CALVERT COUNTY, MARYLAND



Earl F. Hance



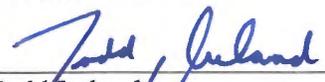
Mike Hart, Vice President



Mark C. Cox Sr.



Catherine M. Grasso



Todd Ireland

cc: The Honorable Senator Jack Bailey

SB 76 testimony.pdf

Uploaded by: Robert Phillips

Position: FAV

MARYLAND STATE FIREMEN'S ASSOCIATION

REPRESENTING THE VOLUNTEER FIRE, RESCUE, AND EMS PERSONNEL OF MARYLAND.



Robert P. Phillips

Chairman

Legislative Committee

17 State Circle

Annapolis, MD 21401

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SB 76: Income Tax – Subtraction Modification – Public Safety Volunteers

My name is Robert Phillips and I am the Legislative Committee Chairman for the Maryland State FireFighters Association (MSFA)

I wish to present testimony in favor of **Senate Bill 76: Income Tax – Subtraction Modification – Public Safety Volunteers**

This bill increases the amount of income subtraction available to the volunteer firefighter. The income subtraction is a valuable tool used by the volunteer fire service to recruit and retain new and present firefighters. As we all know the act of volunteering is a shrinking idea in todays society. Anything that we can use to bring in and maintain present volunteers is very important. Local governments struggle with budgets and the loss of the volunteer fire service could be a crushing blow to the communities that they serve if no longer available to provide their services.

I thank the committee for their time and attention to this important bill and ask that you vote favorable on Senate Bill 76.

I will now be glad to answer any questions, or my contact information is listed above and welcome any further inquiries you might have.

SB0076-BT_MACo_OPP.pdf

Uploaded by: Kevin Kinnally

Position: UNF



Senate Bill 76

Income Tax – Subtraction Modification – Public Safety Volunteers

MACo Position: **OPPOSE**

To: Budget and Taxation Committee

Date: January 19, 2023

From: Kevin Kinnally

Tax Incentives and Local Government Autonomy

Counties are eager and committed partners in promoting economic growth and creating opportunity – and prefer local autonomy in determining the best way locally. The Maryland Association of Counties (MACo) opposes state-mandated reductions in local revenue sources, but county governments welcome flexible and optional tools to serve and react to local needs and community priorities.

The General Assembly routinely considers broad or targeted tax incentives to stimulate economic growth, encourage beneficial activities, or attract and retain residents. These proposals sometimes focus exclusively on the State's tax structure, but often extend to local revenues as well.

In general, MACo stands for local self-determination. Counties, led by locally elected leaders directly accountable within the communities they serve, are best positioned to govern local affairs – ranging from land use to fiscal matters. MACo steadfastly guards this local autonomy and consistently advocates against one-size-fits-all policies that override local decision-making.

State tax incentives should be enacted as "local option" offerings to allow counties maximum flexibility in tailoring local policies to meet local needs and priorities. The State and its local governments already work together here – where the State routinely grants a state-level property tax credit, enabling county governments to enact their own as a local option.

MACo urges the Committee to primarily consider state income tax credits as the best means to incorporate local tax relief as part of a broader policy. MACo and county governments stand ready to work with state policymakers to craft flexible and optional tools to deliver broad or targeted tax incentives but resist state-mandated changes that preclude local input.