

Mid Atlantic Studio Mechanics and Broadcast Technicians

I.A.T.S.E. Local 487

OFFICE LOCATION: 2301 Russell St., Baltimore, MD 21230

March 29, 2023

Senate Budget and Taxation Committee

House Bill 2 - Income Tax - Subtraction Modification - Union Dues.

Favorable with Amendment



Paul Thomas
President

On behalf of the over 500 members of Local 487, IATSE we ask for your support to remove the \$250 cap on House Bill 2 - Income Tax - Subtraction Modification - Union Dues. This bill brings back workers' ability to claim union dues as a subtraction modification for calculating state income tax obligations. Changes in the federal tax system with the passage of the Tax Cuts and Jobs Act of 2017 eliminated this right. Maryland followed suit, meaning that our members lost the ability to claim this subtraction on both Federal and State income taxes. This is not an attempt to gain some new benefit for union workers, but a bill to reinstate what we already had.

Justin Unger
Vice President
Southern Region

Unfortunately, HB 2 was amended to cap the amount of union dues that a worker can subtract to \$250 per tax year. Both chambers passed an uncapped version of this bill in 2022. Many union workers pay dues far higher than \$250 per year, creating a disparity between what all workers will receive in tax relief and what some pay in dues. For context, if a worker makes \$40,000 per year and claims the full subtraction they only decrease their tax liability by \$12. A worker making \$70,000 would see the same savings of \$12. Regardless of what a worker pays in dues, they will only see \$12 in tax relief.

Len Applefeld
Vice President
Northern Region

Ellen Popiel
Secretary/Treasurer

Allowing workers to deduct their union dues is a direct investment in Maryland's workforce. Unionized workers better our lives every single day. They are not just my members but transportation workers, social workers, nurses, paraprofessionals, skilled construction workers, educators, and public safety workers. Union dues are used to improve the lives and working conditions of millions of workers throughout the state.

David M. O'Ferrall
Business Agent

House Bill 2 will help our Union Brothers, Sisters and Kin and we ask that you SUPPORT the Bill with amendments and give it a FAVORABLE REPORT.

Sincerely,

David O'Ferrall - Business Agent