



SEIU MARYLAND & DC STATE COUNCIL

1410 Bush Street, Suite F
Baltimore, Maryland 21230

Testimony in SUPPORT of SB 576
Corporate Income Tax – Combined Reporting
Senate Budget & Taxation Committee
March 7, 2023
1:00 PM

Submitted to Guy Guzzone, Chairman
By Terry Cavanagh, Executive Director

SEIU Maryland & DC State Council requests a **Favorable Report on SB 576**.

With over two million members, SEIU is the largest labor 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, be they 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. This is wrong and must be corrected.

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 is claimed.
- 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 all the other states that have adopted Combined Reporting, after seeing the results of what they had wrought, would repeal such a terrible and flawed law. We know that not one of the states has done so. Why?

What do we say to Maryland's 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 after they learn that the Maryland General Assembly allows corporations year after year after year to use machinations to avoid paying their fair share?

Is the General Assembly's response, "The time for fairness must wait, while the time for unfairness remains with us forever."?

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

We ask a Favorable Report on Senate Bill 576. Thank you.