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February 16, 2023

**Testimony on House Bill 547**  
**Family Prosperity Act of 2023**  
**House Ways and Means Committee**

**Position: Favorable**

Maryland Nonprofits is a statewide association of more than 1500 nonprofit organizations and institutions. We urge you to **support House Bill 547** to make permanent the current strengthened version of Maryland's Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) approved during the pandemic. .

Maryland is one of the 28 states that values their hard-working, low-income citizens by offering a state version of the EITC. This credit is one of the most powerful anti-poverty tools utilized by federal, state, and local governments. Research shows it substantially benefits women and communities of color and helps keep people engaged in the workforce. Unfortunately, many people's ability to stay connected to the workforce is threatened. Right now, many low-paid workers are fighting to gain or maintain financial security and refundable tax credits are a critical tool for supporting them.

In 2021, the Maryland General Assembly passed historic legislation, [Senate Bill 218](#), which created the state's first CTC. This created a temporary credit for families that make under \$6,000 and have a child under 6 years old or is under 17 years old and has a disability. The credit can be claimed for up to \$500 and only if the family did not receive the maximum federal CTC. **This legislation was an important step at combating childhood poverty through tax credits; however, it is inadequate in continuing to provide low-income families relief.**

As demonstrated by testimony submitted by others, including the CASH Campaign of Maryland, the Earned Income Tax Credit and Child Tax Credit in combination can make significant improvements in: **School Achievement ; Workforce Access and Performance; Child, Individual and Family Health; Food Security; and Adequate Safe Housing.** In addition, House Bill 547 makes permanent the extension of these benefits to taxpaying ITINO filers and improves the benefits for childless working -poor individuals.

In sum, these benefits enhance the quality of life of many if not most of the people served across the state by all types of nonprofit organizations.

We strongly urge you to give House Bill 547 a FAVORABLE report.



*Maryland Nonprofits' mission is to strengthen organizations and networks for greater quality of life and equity.*