



MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

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**Senate Bill 552 – Family Prosperity Act of 2023
Budget and Taxation Committee – March 1, 2023
SUPPORT**

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club (WDC)** for the 2023 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of SB0552. This bill makes the Maryland State earned income tax credit (EITC) and child tax credit program permanent. It eliminates the reduction in the state tax credit by the amount of any federal tax credit. It maintains the 45 percent federal earned income tax credit used for determining the amount that an individual may claim as a refund under the Maryland EITC. It removes the \$530 tax credit cap for adults without children. It continues to provide for an additional state child tax credit of \$500 for each child and clarifies the age limit as under six years, or under 17 years with a disability. It raises the qualifying taxpayer income limit for the child tax credit from a federal annual adjusted gross income of \$6,000 to \$15,000.

Numerous studies have shown that the EITC is one of the best ways to reduce childhood poverty. The EITC is designed to incentivize work and help reduce poverty, particularly for families with children. By making the Maryland earned income tax credit permanent and expanding eligibility for the child tax credit, even more families will have the income they need to pay rent and feed their families - especially children in minority families who are among the poorest in our state. In 2019, 12 percent of Maryland's children lived in poverty; 23 percent lived in families without secure incomes; and 18 percent of Black families and 15 percent of Hispanic families lived below the poverty line in Maryland.

We ask for your support for SB0552 and strongly urge a favorable Committee report. Maryland has the highest state median income in the country. No Maryland child should suffer in poverty.

Diana E. Conway
WDC President

Ginger Macomber
WDC Advocacy Committee