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Testimony in Support of HB 337
Del. Vanessa Atterbeary, Chair
House Ways & Means Committee

Maryland Rise is a non-partisan not-for-profit organization working to promote economic opportunity for all Marylanders, not just the wealthy and well-connected. We are testifying today in support of HB 337 **to close several corporate tax loopholes created by the 2017 Trump tax bill and take steps to ensure that Maryland taxes income earned from wealth more than it taxes income earned through work.**

Former President Trump's signature 2017 tax overhaul included several new tax breaks that exclusively benefit large multinational corporations. These tax breaks were automatically incorporated in Maryland law without any say by Maryland lawmakers. Provisions of HB 337 would remove these provisions from our state tax code and help ensure these profitable businesses are paying what they truly owe in state taxes.

HB 337 would also offset the federal government's special treatment of income earned from investments in the stock market and real estate trusts. Charging a lower tax rate on this income the wealthy few are able to earn from wealth than what most Marylanders pay on the income they earn from working allows wealthy investors to avoid paying their fair share of taxes on their income. It is also a driver of racial and ethnic inequality because the wealthiest 10% of white households controls nearly two-thirds of wealth nationwide.

It is time for every Maryland resident to pay their fair share of taxes, especially when critical state needs remain unmet. With a wide range of state services stretched thin, the best way to support families, local businesses, and a healthy economy is to reform Maryland's tax code to make it more effective and equitable.

Therefore, we urge a favorable report on House Bill 337