

SB552/HB547 Family Prosperity Act of 2023  
Position Favorable  
March 27, 2023

Dear Chair Atterbeary, Vice Chair Wilkins, and Members of the House Ways and Means Committee,

I am writing today as an Annapolis resident and a member of the Maryland Poor People's Campaign (MDPPC) to urge you to pass SB552/HB547 The Family Prosperity Act that will make permanent the Maryland Child Tax Credit.

Ending child poverty in the state is one of the Maryland Poor People's Campaign legislative priorities for the 2023 session. According to the Maryland Child Alliance, **15 per cent of Maryland Children live in poverty—especially children of color—and 4% live in deep poverty with family incomes less than half the MD poverty threshold.**

However, Maryland Poverty Statistics currently underestimate the extent of child poverty in our state. AS A LEGISLATOR, **YOU KNOW 100,000 MARYLAND CHILDREN WERE ADDED TO THE POVERTY COUNT** when a study recently added Medicaid eligibility as a factor (The Washington Post, Section B, Friday, February 27, 2023, p. 1).

We **support** the following provisions in the Family Prosperity Act of 2023 (SB552 and HB547)

- Percentage of federal earned income tax credit allowable in determining a refund increases from 28% to 45% **and becomes permanent.**
- The tax credit cap of \$530 (EITC) is removed for individuals without a qualifying child.
- A taxpayer's federal adjusted gross income limit is increased to \$15,000 or less, instead of \$6,000 or less, to claim a further \$500 tax credit for each "qualified" child **and becomes permanent.**

**However, MDPPC finds some provision needs to be amended/expanded:**

- The bill defines a "qualified child" for the tax credit as a dependent under the age of 6 or under the age of 17 if the child has a disability.
  - With over 52% of Maryland children under the age of 18 living in poverty, **MDPPC demands that ALL dependent children under the age of 18 be defined as "qualified," if the taxpayer is eligible to receive the tax credit.\***

Further, MDPPC stands firmly with The Maryland Child Alliance's position that "cash transfers are the most efficient way for families to fulfill their needs." **Accordingly, we strongly encourage the bill be amended to include direct cash payments to eligible families.**

Susan Allen  
3463 Rockway Avenue  
Annapolis, MD 21403  
[Susanallen0@mac.com](mailto:Susanallen0@mac.com)  
410-626-2068