



February 21, 2024

Senate Bill 766

Fair Share for Maryland Act of 2024

Senate Budget and Taxation Committee

Position: FAVORABLE

Anne Arundel County **SUPPORTS** Senate Bill 766 – Fair Share for Maryland Act of 2024

Senate Bill 766 takes a significant step in addressing the historic inequities and unfair advantages of Maryland's tax system. For decades, wealthy corporations have been able to use tax loopholes to avoid paying their fair share, while the top 1% of Marylanders pay less in income taxes than everyone else. Keeping the status quo limits our ability to invest in working families, grow small businesses, and effectively tackle the wealth gap. We can do better, and this legislation is a critical piece in our efforts as a state to lift millions of families out of poverty.

As the State tackles a projected budget deficit in the General Fund, and a shortfall in our Consolidated Transportation Plan, it is important that the solutions we consider reflect our values. The 2017 federal tax bill and the 2020 Coronavirus pandemic increased the disparities in wealth between our highest income and lowest income residents. Senate Bill 766 will shift the burden from our most vulnerable and level the playing field by shrinking the advantages of corporate loopholes, cutting taxes for low-income households, ensuring that the bottom 40% of households will see the most benefit, and raising taxes on the wealthiest Marylanders to appropriate levels. Once phased in, this package will raise revenue upwards of \$1.6 billion each year. This revenue can be used to fully invest in our communities without placing the burden on hardworking taxpayers.

My administration has taken steps in Anne Arundel County to do what we can to relieve this burden. Three years ago, the General Assembly gave counties the authority to set our local income tax rates on a progressive bracket basis with the Local Tax Relief for Working Families Act of 2021, sponsored by Delegate Palakovich Carr. We proudly used this new authority to cut taxes for all income below \$50,000 in our 2023 budget, and raise the tax rate only on the top 2% of earners in our 2024 budget.

As fiscal leaders, we look out for our constituents by ensuring that we generate necessary revenue in order to meet the challenges of today, while mitigating the economic burden on our hardworking taxpayers. Maryland needs a fairer tax system that affirms our mission to leave no one behind, and Anne Arundel County believes that this legislation moves us closer to that goal. For all of these reasons, we respectfully request a **FAVORABLE** report on Senate Bill 766.

A handwritten signature in blue ink, appearing to read "Stuart Pittman".

Stuart Pittman
County Executive