

PAUL D. CORDERMAN
Legislative District 2
Frederick and Washington Counties

Budget and Taxation Committee

Subcommittees

Capital Budget

Education, Business and Administration



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 21, 2024

Senate Budget & Tax Committee
Chair Guy Guzzone
Vice Chair Jim Rosapepe
3 West Miller Senate Office Building
Annapolis, MD 21401

Testimony in Support of Senate Bill SB 748 – Income Tax – Alteration of Brackets and Rates (Economic Prosperity Act of 2024)

Chair Guzzone, Vice Chair Rosapepe, & Members of the Budget & Tax Committee,

Thank you for the opportunity to present SB 748. We are all aware of the crushing inflation that is plaguing our state and nation. We are seeing this reflected at the gas pump, in grocery stores, the housing market, and beyond. SB 748 would provide a multi-billion-dollar tax cut on the Marylanders that are experiencing the impact of inflation the most – the middle class – by adjusting our state income tax brackets.

Under current law, Marylanders making \$3,000-\$150,000 are taxed at rate of 4.75%. Under this bill, that bracket would change from a 4.75% rate to a rate between 4% and 4.5% depending on annual income. A similar pattern applies to higher income brackets. Additionally, it offers a tax break for some of the least affluent in our state – many of whom rely on assistance through a variety of state programs. Under SB 748, for single, dependent, or married filing separately taxpayers, the first \$15,000 of income is not subject to tax. For joint filers, surviving spouses, and heads of household, this number is approximately \$30,000.

These changes will lift some of the financial burden currently placed on everyday Marylanders who are trying to earn a living, provide for their families, and take part in the simple idea that is the American Dream. Thank you for your consideration and I respectfully ask for a favorable report on SB 748.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul D. Corderman".

Paul D. Corderman
District 2 – Washington & Frederick Counties