



MARYLAND SOCIETY OF ACCOUNTING AND TAX PROFESSIONALS

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To: Ways and Means

From: The Maryland Society of Accounting and Tax Professionals

Re: HB 470

Contact Person: Giavante' Hawkins

Position: OPPOSE

County Income Tax - Rate and Income Brackets - Alterations

I write today on behalf of the Maryland Society of Accounting and Tax Professionals (MSATP), representing over 2,000 accounting and tax professionals serving hundreds of thousands of Maryland taxpayers. While we understand the budget constraints confronting counties statewide, our organization worries House Bill 470's income tax expansions could worsen economic competitiveness absent a more thorough impact analysis. We suggest an unfavorable report today.

Specifically, the legislation permits every county to raise maximum rates to among the very highest in the region and country without concrete evidence this serves growth or family stability over the long term. And while the bill caps the highest brackets by income, maximized rates on firms or high-wage professionals risk driving talent outward rather than improving opportunity for remaining residents.

And importantly, no requirements exist mandating projected new revenues to fund education or infrastructure improvements as outlined. Without tight earmarks or accountability measures, counties may redirect funds to plug other budget gaps, never addressing underlying shortfalls but hampering private sector growth.

While the MSATP shares concern about constrained local budgets, House Bill 470 establishes worrisome tax precedents lacking appropriate guardrails against potential harms outweighing benefits. We ask that the Committee urge an unfavorable report today so alternatives better-balancing equity and growth can come forward.

Thank you for your consideration.

Giavante Hawkins

