



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

SB 70 – County Income Tax - Rate and Income Brackets - Alterations

DATE: January 15, 2025
COMMITTEE: Senate Budget and Taxation Committee
POSITION: Favorable
FROM: The Office of Frederick County Executive Jessica Fitzwater

As the Frederick County Executive, I urge the committee to give **SB 70 – County Income Tax - Rate and Income Brackets – Alterations** a favorable report.

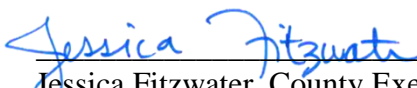
This bill will authorize the governing body of a county to set progressive local income tax rates of up to 3.7% on high income earners while requiring counties that exceed the current 3.2% limit to lower taxes on lower income earners, or dedicate the increased revenue to education and transportation.

I am proud that Frederick County has utilized the existing authority to establish brackets for local income taxes to cut taxes for our lowest earners. However, without the authority to increase rates above 3.2%, our ability to provide tax relief to our residents who need it the most is significantly stifled. This bill will provide local governments with much needed flexibility to create a more progressive and fair income tax structure without negatively impacting revenues.

Additionally, local governments have limited tools to raise revenue to finance the needed infrastructure for our communities. While income taxes are not the main source of revenue for local governments, we face heightened pressure from our constituents to solve transportation and school construction hurdles in new and creative ways that do not raise housing costs.

As a county leader who is deeply committed to the promises of Blueprint for Maryland's Future and the needs of our transportation infrastructure, I believe it is crucial that we utilize creative and progressive solutions to raise revenues without inequitably impacting our constituents.

Thank you for your consideration of SB 70. I urge you to advance this bill with a favorable report.



Jessica Fitzwater, County Executive
Frederick County, MD