



March 27th , 2025

HB634

Income Tax - Income Tax Reconciliation Program - Established (Maryland Fair Taxation for Justice-Involved Individuals Act)

Budget and Taxation Committee

Position: Favorable

The Maryland Catholic Conference (MCC) offers this testimony in support of **House Bill 634**. The Maryland Catholic Conference (MCC) is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

House Bill 634 creates a program to help justice-involved individuals manage their outstanding income tax obligations. This initiative allows eligible individuals to establish installment payment plans while waiving interest and penalties for unpaid taxes from 2025 to 2029. The program will be administered by the Comptroller, who will also collaborate with the Department of Public Safety and Correctional Services to raise awareness.

Catholic social teaching emphasizes restorative justice, dignity, and economic fairness. This legislation aligns with the Church's call to support the reintegration of formerly incarcerated individuals by removing financial barriers that could hinder their fresh start. By promoting justice and mercy this bill helps uphold human dignity, reduce inequality, and create pathways for redemption and responsible citizenship.

This bill provides critical financial relief for justice-involved individuals, allowing them to reintegrate into society without the burden of overwhelming tax debt. By offering structured payment plans and waiving penalties, the program promotes economic stability, reduces recidivism, and encourages successful reentry. Additionally, increasing tax compliance through manageable payments benefits the state's economy by ensuring tax contributions while fostering a fairer taxation system.

The MCC appreciates your consideration and respectfully urges a favorable report for **House Bill 634**.