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January 13, 2025

Honorable Members of the Senate Budget and Taxation Committee
Maryland General Assembly
11 Bladen Street
Annapolis, MD 21401

RE: Senate Bill 104 - Income Tax – Credit for Individuals Residing With and Caring for Elderly Parents

Dear Chair and Members of the Committee:

The Maryland Society of Accounting and Tax Professionals, Inc. (MSATP) represents the voices of over 2,000 tax and accounting professional members. Our members, who are tax and accounting professionals, serve over 700,000 Maryland residents. We must respectfully oppose Senate Bill 104, which would create a refundable tax credit for individuals caring for elderly parents.

While we appreciate the intent to support families caring for elderly parents, this legislation raises several concerns. The refundable nature of the credit, combined with the significant amount of \$3,000 per qualifying parent, could create substantial fiscal impacts without clear parameters for measuring success or effectiveness.

The verification process for determining qualifying care arrangements presents significant administrative challenges. The six-month residency requirement may be difficult to document and verify, potentially leading to compliance issues. Additionally, the income thresholds and cost-of-living adjustment mechanisms add complexity to an already complicated tax code.

We believe a more comprehensive approach to supporting elder care, perhaps through direct service programs or existing social service frameworks, would be more effective and easier to administer than a tax credit.

For these reasons, we urge an unfavorable report on Senate Bill 104.

Respectfully submitted,

Giavante' Hawkins

Giavante' Hawkins
Maryland Society of Accounting and Tax Professionals