



January 16, 2025

Sponsor: Senator Cory McCray

Sponsor: Delegate Gary Wims



Supports

Maryland Fair Taxation for Justice-Involved Individuals Act SB0295 and waiting on the cross filing bill number on the House side.

We, the undersigned organizations, write in support of Senate Bill 0295. In 2022, Maryland was responsible for 24 jails in 24 counties, housing 15,637 justice-involved individuals according to the National Institution of Corrections. A large percentage of these individuals will or are returning citizens with a tax bill awaiting their arrival and no idea how or where to start the reconciliation process. For one to positively contribute to the economic growth of the United States post confinement, they must be afforded the opportunity to rehabilitate and resocialize—one way to support this transition is through the understanding of taxation in Maryland.

Senate Bill 0295, also known as the Maryland Fair Taxation for Justice-Involved Individuals Act, aims to establish the Income Tax Reconciliation Program.

This program is intended to assist justice-involved individuals—those who have been convicted of a crime and served a prison sentence of 6 months to 10 years—by allowing them to set up installment payment plans for any unpaid state income tax from their years of incarceration.

Key provisions include:

- The Comptroller will administer the program and has the authority to waive interest and penalties on unpaid taxes for eligible individuals.
- The program targets those who cannot file tax returns while incarcerated, enabling them to address their tax obligations post-release.
- An awareness campaign will be developed in partnership with the Department of Public Safety and Correctional Services, the Office of the Public Defender, Probation and Parole, and community organizations supporting justice-impacted individuals. This campaign will aim to inform both the public and affected individuals about the program.



- The bill requires annual reporting to the General Assembly on the program's impact.

Justice-impacted individuals with unique circumstances can seek assistance from the Comptroller's Office to waive penalties for unfiled taxes incurred during their involvement with the justice system. This program offers individuals the opportunity to address missed tax obligations, establish installment payment plans, and obtain waivers for penalties on unfiled or unpaid taxes from that period. These payment plans may include a repayment period of up to 10 years.

Upon release from the Department of Public Safety and Correctional Services (DPSCS) or the Bureau of Prisons (BOP), individuals will have up to two years to apply for this program. The initiative is designed to cover taxable years from 2025 to 2029.

As advocates for returning citizens, it is our responsibility to ensure their proper reintegration into our communities, particularly in addressing the challenges posed by Maryland's taxation system.

ACLU
Maryland