

Maryland State Child Care Association

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Caring For Maryland's Most Important Natural Resource™

The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5500 members working in the field of child care/early childhood education. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.

Testimony: SB 516: Property Tax-Day Care Centers, Child Care Homes, and Child Care Centers Submitted to: Budget and Taxation Committee

Feb 12, 2025

MSCCA enthusiastically supports SB 516. MSCCA priorities agenda align with favorable support for SB 516 as we believe advocating for families through family investments, which our child care programs throughout the state serve as a public good for children and families.

The intent of property tax credit is to encourage and incentivize property owners to invest and support growth and development in the community.

HB 389 includes numerous important components that support the critical child care businesses as they are the fabric of the community and the workforce behind the workforce.

Comptroller Lierman's State of the Economy series released on December 31, 2024 clearly shows the need to address the recovery and decline of child care in Maryland as child care is an economic and equity imperative.

This bill speaks to the report by supporting equity in child care through broadening the language in current law to include large family child care businesses, who were previously not included in the personal property tax credit or the allowable exemptions for family child care businesses. SB 516 increases the maximum allowable property tax credit to \$10,000 limit, therefore helps the economy in a small, but important way.

This bill reforms the current allowable credit to and considers changes with inflation because in 1980's when the property tax credit law was initiated, \$3,000 was sufficient, however forty years later we must increase the credit to make it meaningful.

Child care impacts everyone directly and indirectly and SB 516 expands with equity for all licensed child care businesses and the property tax credit incentives for child care businesses primarily owned and operated by women.

MSCCA urges a favorable report.