



February 20, 2025

Testimony in Support of House Bill 1014 – Fair Share for Maryland Act of 2025

We respectfully urge the Ways and Means committee to make a favorable report on HB 1014. The Fair Share for Maryland Act (SB859) will provide resources that Maryland communities need while also ensuring that wealthy corporations and individuals are contributing their fair share to the public services we all benefit from.

The Montgomery County [Children's Opportunity Alliance](#) connects our community to build an equitable, accessible, high-quality, and sustainable early childhood system that narrows disparities and puts all young children on a path to reach their greatest potential. Right now, parents pay more than a quarter of their household income for child care. The Maryland State Comptroller's recent report,¹ indicates that more than 100,000 women dropped out of the work force during the pandemic due to a lack of child care. The follow up report, Child Care and the Economy,² shows a precipitous drop in family child care businesses further exacerbating conditions, reducing labor market participation among women with young children due to a reduction in accessible, affordable child care. We need to act fast to save our families, our communities and our economy.

The Fair Share for Maryland Act will:

- Raise at least \$1.6 billion per year in new revenue when fully phased in
- Lower taxes for more than 1.3 million Marylanders by expanding the Child Tax Credit and Earned Income Tax Credit
- Close corporate tax loopholes to ensure wealthy multinational corporations can't avoid paying state taxes
- Balance our upside-down tax system and ensure millionaires pay their fair share by adding upper income tax brackets and adding a surtax on investment income

We can't grow our economy if we are cutting back on essential services such as public schools, early care and education, and transit service. Businesses – and the Maryland workers they employ – value these services and it is only fair that the largest corporations pay their share, just like our Maryland small businesses already do. It's wrong that the wealthiest Marylanders, those earning more than \$700,000 per year, pay a lower tax rate than those in any other income group. The Fair Share for Maryland Act will help address this.

Submitted on behalf of the Children's Opportunity Alliance by
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¹ <https://www.marylandtaxes.gov/reports/static-files/research/SOTE-STATE-OF-THE-ECONOMY-REPORT-Brief-June-2024.pdf>

² <https://marylandtaxes.gov/reports/static-files/research/childcare.pdf>