

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

Testimony for House Bill 634

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

TO: Hon. Vanessa E. Atterbeary, Chair, and Members of the House Ways and Means Committee

FROM: Job Opportunities Task Force

DATE: February 5, 2024

POSITION: Support

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-wage workers and job seekers in Maryland. **JOTF supports House Bill 634, which establishes the Income Tax Reconciliation Program to address the unique challenges formerly incarcerated individuals face in meeting their tax obligations.**

Returning citizens often return to society facing considerable barriers to economic recovery. Many struggle to secure housing, employment, and financial stability, compounded by unresolved tax debts accrued during incarceration. By enabling installment payment plans and waiving interest and penalties for unpaid income taxes, House Bill 634 ensures these individuals are given a fair opportunity to resolve their tax obligations without undue financial hardship.

This legislation aligns with JOTF's mission of reducing barriers to low-income individuals, and especially vulnerable populations like formerly incarcerated individuals. Most returning citizens are low-income and often lack the resources to navigate complex tax requirements. By waiving penalties and interest, the program removes a significant barrier to financial recovery, empowering participants to rebuild their lives and contribute to the state economy. These measures not only promote compliance but also increase the likelihood of recovering outstanding tax revenue in a manner that does not exacerbate economic disparities.

Senate Bill 295 represents a critical step toward creating a tax system that works for all Marylanders, including those seeking a second chance. By supporting this legislation, Maryland can lead by example in advancing policies that promote equity, economic stability, and social justice.

For these reasons, JOTF supports House Bill 634 and urges a favorable report.

For more information, contact:

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