



**HB 1014 – Fair Share for Maryland Act of 2025**

**Committee:** House Ways and Means Committee

**Date:** February 20, 2025

**Position:** Unfavorable

The Maryland Bankers Association (MBA) **OPPOSES** HB 1014. Banks operating in Maryland work with their clients, both individuals and businesses, to help them meet their financial needs. HB 1014 contains several provisions that negatively impact both banks and their customers.

HB 1014 contains a provision, only mandated by the State of Alaska for oil companies, that implements worldwide combined reporting for multinational companies operating in Maryland. Maryland banks would face significantly increased compliance costs to ensure the accurate reporting of income. These increased costs would force banks to potentially raise the costs of services provided to Maryland consumers.

HB 1014 also contains a provision that creates a Business Transportation Fee of 2.5% on Maryland taxable and modified income for a C-corporation or pass through entity that exceeds \$10 million in income. Maryland's current corporate tax rate is already 8.25%. Adding an additional 2.5% on top of that pushes the effective corporate income tax rate to 10.75%, which will be the second highest corporate tax rate in the country. At a time where the Moore Administration is making an effort to bring more businesses to Maryland, this corporate tax increase runs counter to that goal.

MBA understands that the General Assembly must make tough choices to close a \$3+ billion- dollar structural deficit. However, the provisions of HB 1014 will do more harm than good and will not produce nearly the amount of revenue needed to close the deficit. Accordingly, the MBA urges the issuance of an **UNFAVORABLE** report on HB 1014.

*The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding more than \$194 billion in deposits in almost 1,200 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.*