



February 16, 2026

Testimony Regarding Senate Bill 468 – Income Tax – Local Child Tax Credit - Authorization

We urge the Budget and Taxation committee to support SB468 – Income Tax – Local Child Tax Credit - Authorization as we believe a local child tax credit would put flexible dollars directly into families' pockets, helping them afford child care and stabilize household finances. Child care is one of the largest expenses families face – often rivaling or exceeding housing costs. Housing and child care costs in counties like Montgomery County are dramatically higher than in other parts of the state; uniform statewide credits do not reflect these regional differences. When families can afford care, providers experience fewer payment disruptions and educators experience more stable enrollment – strengthening the entire early childhood system.

We believe it will help reduce the number of families experiencing poverty and this, along with cash stabilization are strongly associated with families being better able to pay for necessary household costs, including housing, and child care tuition. Being able to pay for child care tuition alone, avoids disruptions, and maintains consistent care arrangements, which stabilizes parents' ability to thrive in the workforce, increase the local and state economy. It also supports child care programs by ensuring consistent child enrollment and provider revenue (the day-to-day operating lifeline for child care programs).

The evidence suggests that a local child tax credit can reduce child poverty. When the federal Child Tax Credit (CTC) was expanded in 2021, child poverty fell 46%—from 9.7% (2020) to 5.2% (2021) and census researchers estimate the expanded child tax credit kept 2.9 million children out of poverty in 2021. When those expansions ended, child poverty more than doubled in 2022, reinforcing that tax credits drive the change. Also importantly, a child tax credit can support parental work by helping pay for child care and other significant household expenses and improves household stability so parents can work, look for work, and attend school.

So we urge you to support SB468, as it would give communities another practical lever to ensure that raising children in Maryland is more affordable and economically secure.

Submitted on behalf of the Children's Opportunity Alliance by

A handwritten signature in black ink, appearing to read "Laura Jahromi".

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The Montgomery County [Children's Opportunity Alliance](https://www.mocochildren.org) is a locally legislated Early Care and Education Coordinating Entity that connects our community to build an equitable, accessible, high-quality, and sustainable early childhood system that narrows disparities and puts young children on a path to reach their greatest potential.