



TESTIMONY IN SUPPORT OF SB 377
Earned Income Tax Credit - Individuals Without
Qualifying Children - Eligibility
Senate Budget and Taxation Committee
February 04, 2026
POVERTY FREE MARYLAND

Voting Member Agencies:

Anne Arundel County Food Bank

Baltimore Jewish Council

CASH Campaign of Maryland

Catholic Charities

Family League of Baltimore

Laurel Advocacy & Referral Services,
Inc.

Maryland Center on Economic Policy

Maryland Family Network

Maryland Food Bank

Maryland Hunger Solutions

Poverty Free Maryland

Poverty Free Maryland supports SB 377, which expands access to the Earned Income Tax Credit (EITC) for single filers unable to claim dependents by increasing the maximum income requirement and connecting it with the state's cost of living adjustments each year.

Maryland is one of the 31 states that values their hard-working, low-income citizens by offering a state version of the EITC. This credit is one of the most powerful antipoverty tools utilized by federal, state, and local governments. Unfortunately, the credit is not as widely available for single filers who are unable to claim dependents. Right now, many young workers are not eligible to receive the EITC or receive a very small credit, which means they are taxed further into poverty. With SB 377, we have the opportunity to make work pay for more low-income workers in Maryland, including veterans and youth aging out of foster care.

The proposed adjustments will increase the maximum income for the state EITC to \$27,000 and will adjust to the cost of living each year, which would increase economic security for 100,000 of the lowest-paid Marylanders. SB 377 is an opportunity to help low-income single filers that do not claim dependents lessen the amount of taxes owed, and potentially increase their refund. Expanding the EITC would allow more Marylanders to claim up to \$600 during tax season. Working family credits like the EITC also help boost local businesses as taxpayers spend tax refunds - every dollar invested in the EITC generates \$1.23 of economic activity.

Maryland ranks 7th among the states for the highest cost of living. A single adult without dependents would need to make at least \$40,798 per year in order to pay for basic expenses. Currently, Marylanders who are working full-time minimum wage jobs earn \$31,200 annually, which is too much to qualify for the EITC, even though their salary is less than the amount needed to cover basic expenses. Low-income workers, even when working 40 hours a week, are left in vulnerable positions. They are more likely to experience financial hardship. By increasing access to the EITC for single filers, Maryland has the opportunity to invest in Marylanders who need it most. The passage of SB 377 would reduce taxes for a large majority of low-income workers, putting them on a path to long-term financial stability.

*Founded in 2025 through the merger of Welfare Advocates (established in 1979) and Marylanders Against Poverty (established in 1988), **Poverty Free Maryland** is a coalition of service providers, faith groups, and other organizations working together to exchange information, educate decisionmakers, and advocate for statewide public policies and programs necessary to address the underlying systemic causes of poverty and ensure that low-income Marylanders are provided with low- and no-barrier access to all resources needed to thrive and build a better life for the future.*

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Poverty Free Maryland appreciates your consideration and urges the committee to issue a favorable report for SB 377.

Poverty Free Maryland envisions a Maryland without poverty, and a future where all Marylanders have the support and economic stability that's needed to thrive.