

SB 377- EITC Poverty Free Maryland Testimony.pdf

Uploaded by: Abby Snyder, Co-Chair

Position: FAV



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.

SB0377 - MBA - FAV - GR26.pdf

Uploaded by: Evan Richards

Position: FAV



SB 377 – Earned Income Tax Credit – Individuals Without Qualifying Children – Eligibility

Committee: Senate Budget & Taxation Committee

Date: February 4, 2026

Position: Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** SB 377. This legislation meaningfully expands access to the Earned Income Tax Credit (EITC) by adjusting income thresholds and broadening eligibility criteria, thereby allowing a greater number of Marylanders to qualify for this essential refundable credit. By strengthening and modernizing the program in this way, the bill ensures that more working individuals can receive financial support that directly enhances their economic stability. As a result, Marylanders will have increased resources to meet essential household needs, reduce day-to-day financial pressure, and establish a more secure and sustainable financial foundation.

Maryland banks strongly support initiatives that help individuals retain more of their hard-earned income, as financially secure Marylanders are fundamental to building stronger, more resilient communities. Our member institutions see firsthand how refundable tax credits—such as the EITC—empower Marylanders to improve their financial well-being. When individuals have the means to cover basic expenses, avoid reliance on high-cost or predatory financial products, and begin saving for future goals, they are significantly better positioned to achieve long-term financial stability.

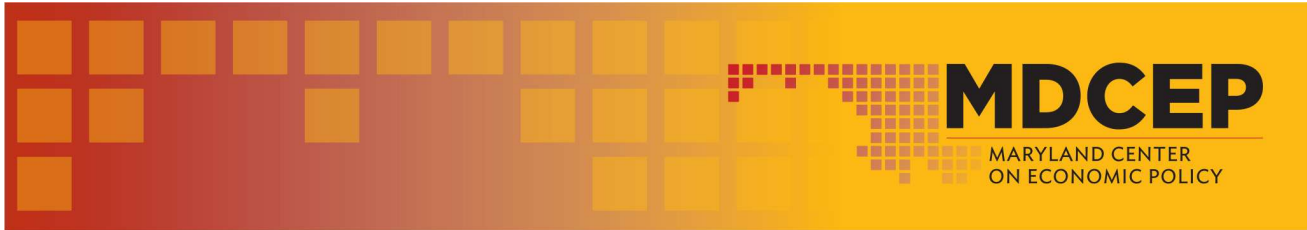
Expanding the EITC not only benefits individual Marylanders but also promotes broader economic health across the state. Accordingly, MBA urges the issuance of a **FAVORABLE** report on SB 377.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding \$194.8 billion in deposits in over 1,100 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.

SB 377_MD Center on Economic Policy_FAV.pdf

Uploaded by: Kali Schumitz

Position: FAV



FEBRUARY 4, 2026

Expanding the Earned Income Tax Credit Will Benefit Maryland Workers and the Economy

Position Statement Supporting Senate Bill 377

Given before the Senate Budget and Taxation Committee

The Earned Income Tax Credit (EITC) is a commonsense tax break that helps people who work but struggle to get by due to low wages and also boosts the economy. However, Maryland's credit isn't as effective as it could be because the income cap for workers not raising children is too low. Increasing the maximum income to qualify for the EITC would create greater economic stability for low-wage workers now left out of this effective anti-poverty tool. **For these reasons, the Maryland Center on Economic Policy supports Senate Bill 377.**

Research continues to show that the EITC is one of the most effective anti-poverty tools we have. Maryland's current EITC offers an essential hand up for thousands of working families but it is not as effective for thousands of other low-wage workers. For workers who don't have children and those who don't claim their child as a dependent on their taxes, once they earn more than \$19,104 per year, they are no longer eligible for the credit. That means someone working even 25 hours per week at Maryland's minimum wage and not claiming dependents on their taxes would earn too much to qualify for the EITC, even though they are still earning too little to maintain a basic living standard. In fact, many people who work for very low wages go deeper into poverty because they don't qualify for a meaningful tax break.¹

Senate Bill 377 would help change that for well over 100,000 Marylanders who are now struggling to get by on low wages.² People who are likely to benefit include young adults just getting started in the workforce, expectant parents, divorced or separated parents who aren't the primary caregiver, veterans, and older adults who are no longer supporting children. The bill would increase the maximum income for the state EITC to \$27,000 for single filers.

Expanding the tax credit also benefits Maryland businesses. Because EITC recipients have very low incomes, they are most likely to spend their tax refunds on basic necessities at businesses in their community. Every dollar invested in the EITC generates \$1.23 of economic activity, according to one estimate.³

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Budget and Taxation Committee make a favorable report on Senate Bill 377.

Equity Impact Analysis: Senate Bill 377

Bill summary

Senate Bill 377 increases access to the Maryland Earned Income Tax Credit for workers who don't have children and non-custodial parents who aren't claiming dependents on their taxes. Currently, the credit is capped at adjusted gross income of \$19,104 for people without children. Senate Bill 377 would increase the cap to adjusted gross income of \$27,000, just under 180% of the federal poverty level.

Background

The maximum income limits for receiving the EITC are significantly higher for families with children – between \$50,000 and \$68,000, depending on filing status and the number of children. Senate Bill 377 would bring the income limit for workers without children more in line with the limit for those raising children.

The legislature temporarily increased the state EITC for claimers without qualifying dependent children to 100% of the federal credit in 2021 and subsequently made this increase permanent through Chapters 3 and 4 of 2023 (the Family Prosperity Act).

Equity Implications

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- Due to various structural barriers to opportunity, Black and Latinx workers are far more likely than white workers to earn poverty-level wages and are therefore more likely to qualify for the EITC. While state and federal EITCs serve a larger number of white households than households in any other racial or ethnic group, they serve a larger proportion of people of color.
- EITCs also have a disproportionate impact in reducing poverty rates among households of color.⁴

Impact

Senate Bill 377 would likely **improve racial and economic equity** in Maryland.

¹ Chuck Marr, "A Clear Policy Choice: Repeat Success by Expanding the EITC for Adults without Children," Center on Budget and Policy Priorities, 2023, <https://www.cbpp.org/blog/a-clear-policy-choice-repeat-success-by-expanding-the-eitc-for-adults-without-children>

² Institute on Taxation and Economic Policy Microsimulation Tax Model

³ Mark Zandi, "An Analysis of the Obama Jobs Plan." Moody's Analytics, Sept. 9, 2011.

<https://www.economy.com/dismal/analysis/free/224641>

⁴ Michael Leachman et. al. "Advancing Racial Equity With State Tax Policy," Center on Budget and Policy Priorities, Nov. 15, 2018. <https://www.cbpp.org/research/state-budget-and-tax/advancing-racial-equity-with-state-tax-policy>

CAB Testimony_SB377_Earned Income Tax Credit - Ind

Uploaded by: Leslie Frey

Position: FAV



**Montgomery County Community Action Board Testimony
SB377 - Earned Income Tax Credit - Individuals Without Qualifying Children - Eligibility
Senate Budget and Taxation Committee
February 4, 2026**

POSITION: SUPPORT

TO: The Honorable Guy Guzzone; The Honorable Jim Rosapepe, Vice Chair; and Members of the Budget and Taxation Committee

FROM: DaVida Rowley, Chair, Montgomery County Community Action Board

The Montgomery County Community Action Board, the County's local, state, and federally designated anti-poverty group, strongly supports SB377, which if passed, would increase the income eligibility for the state EITC for single filers without qualifying dependents. 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. Workers who would benefit from this expansion include non-custodial parents, young adults without family support, youth aging out of the foster care system, and people with disabilities, who often have very limited employment opportunities and additional expenses. Single filers are subject to unplanned expenses without the ability to share those costs. Raising the income eligibility limit for these taxpayers would therefore allow the EITC to help more residents who are struggling to make ends meet.

Our board continues to advocate for the EITC because we know that it is one of the best tools available to reduce poverty and help families move towards the Self-Sufficiency Standard. Extensive research also links the EITC to numerous positive impacts well beyond the financial realm. These include reductions in health disparities¹ and the credit's impact on racial equity as research has shown its greater impact on reducing poverty for households of color² as well as other minority populations.

¹ https://www.kellogg.northwestern.edu/faculty/garthwaite/htm/EITC_Health_Final_Draft.pdf and <http://ftp.iza.org/dp12417.pdf>

² <https://www.cbpp.org/research/state-budget-and-tax/state-earned-income-tax-credits-help-build-opportunity-for-people-of-color>

Expansions of the state EITC are particularly important in Montgomery County, where the County's Working Families Income Supplement (WFIS) matches a portion of the state EITC, which is itself a 100% match of the federal EITC for single filers without dependents. We are very fortunate to be one of just a handful of local jurisdictions that supplements matching funds to the State credit. SB377 would allow more Montgomery County residents, including ITIN filers, to receive larger refunds, helping residents pay for basic necessities like food and housing.

This bill is also of particular interest to our board because the Montgomery County Community Action Agency oversees the County's Volunteer Income Tax Assistance (VITA) Partnership and operates the County's only year-round free tax preparation VITA site. Last year, the agency's VITA program completed 2,397 tax returns for County households with modest incomes, with a total free tax impact of \$7.7 million. This included \$2,731,277 in Earned Income Tax Credits and the WFIS. Expanding the Maryland EITC will help VITA programs across the state ensure that single filers receive more substantial refunds.

It is important to note that the Maryland EITC is especially significant in an area like Montgomery County, and so many parts of the state, where the cost of living is so high and continues to rise. According to the 2023 Montgomery County Self-Sufficiency Standard, a single adult must earn \$47,294 to pay for basic necessities, over three times the federal poverty level.³ We believe that larger tax refunds would have a significant impact on single filers, helping them move one step closer to the Self-Sufficiency Standard and a few steps above the federal poverty level.

The Montgomery County Community Action Board strongly supports SB377 and asks for the Committee's favorable report.

³ https://www.montgomerycountymd.gov/HHS-Program/Resources/Files/MDMontCo2023_SSS.pdf

SB 377 - Earned Income Tax Credit - Individuals Wi

Uploaded by: Matthew Capodanno

Position: FAV

SB 377
Earned Income Tax Credit - Individuals Without Qualifying Children - Eligibility
Senate Budget & Taxation Committee
February 4, 2026

SUPPORT

Senate Bill 377 expands the eligibility of the Maryland Earned Income Tax Credit (EITC) for individuals without qualifying dependents by increasing the income thresholds at which the credit phases out.

The Maryland Food Bank estimates that 1 in 3 Marylanders are at risk of food insecurity. A person who is food insecure does not have consistent access to healthy and nutritious food on any given day, and this problem persists in every area of the state. There are also communities and populations who are disproportionately affected by food insecurity, including families with children. The causes of food insecurity are complex and often include factors such as financial hardship and low income.

Expanding the reach of the EITC could dramatically improve the economic status for thousands of low-income Marylanders. In 2025, an average of 39% of Marylanders were facing financial hardship, including affording their basic household necessities like food, rent, and utilities. This is a level of difficulty that has not substantially improved since before the pandemic, and in some ways, such as with sustained rising prices for food, costs are even higher. In fact, food prices have risen 29% since 2019 and household food budget for Maryland families is around 25% - meaning that a quarter of a household's income is spent on food that gets more expensive every year. This presents a significant hardship, particularly on Marylanders with the lowest incomes.

The EITC is a time-tested anti-poverty tool that provides financial assistance to those who need it most, and in turn stimulates the economies of local communities to grow and thrive. It is an important and necessary investment in the wellbeing of Marylanders in every corner of the state. Additionally, the EITC is a community development driver, generating \$1.23 of economic activity for every dollar invested in the tax credit. Many Marylanders facing food insecurity cite a lack of community resources as a root cause of hunger, so this issue is poignant from the perspective of ensuring that families live in communities that can meet their needs. The EITC is one of the best tools we have to help Marylanders achieve financial stability, and as such is a mechanism the state of Maryland should continue to support.

For these reasons, the Maryland Food Bank respectfully requests a favorable report on SB 377.

Maryland Catholic Conference_FAVSB377_.pdf

Uploaded by: Michelle Zelaya

Position: FAV



MARYLAND
CATHOLIC
CONFERENCE

February 4th 2026

Senate Bill 377

Earned Income Tax Credit - Individuals Without Qualifying Children – Eligibility
Budget and Taxation Committee
Position: Favorable

The Maryland Catholic Conference offers this testimony in support of **Senate Bill 377**. The Maryland Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

Senate Bill 377 expands eligibility for the Maryland Earned Income Tax Credit (EITC) for individuals without qualifying children by adjusting income thresholds and gradually phasing the credit out more fairly. After 2025, the thresholds will be indexed to inflation to ensure the credit remains relevant and effective for working Marylander's year after year.

The EITC has proven to be an effective means of lifting working families out of poverty, providing them with the financial support they need to meet basic needs and fostering economic stability. However, as it currently stands, the credit's impact is limited for individuals without qualifying children due to the low-income thresholds at which the credit begins to phase out. This relief can help residents meet essential needs such as housing, transportation, food, and healthcare. That way Marylanders wouldn't have to choose between rent and food.

Catholic social teaching calls us to prioritize the needs of the poor and vulnerable in our society. Expanding the eligibility of the EITC for childless individuals aligns with this moral imperative, as it recognizes the dignity of every person and acknowledges the challenges faced by those who may not have dependents but still struggle to make ends meet. Supporting workers, especially those with low incomes, acknowledges the God-given dignity of labor and helps ensure all Marylanders can participate fully in society.

The proposed adjustments to the income thresholds would extend the benefits of the EITC to a wider range of individuals, offering much-needed relief to those who often work in low-wage jobs and may be on the margins of poverty. This legislation reflects a compassionate, practical support to those striving to build stable, healthy lives.

For these reasons, the Maryland Catholic Conference urges a favorable report on **Senate Bill 377**.

2026 MASBHC HB 377 House Side.pdf

Uploaded by: Robyn Elliott

Position: FAV



To: House Health Committee

Bill: House Bill 377 - Physician Assistants – Parity with Other Health Care Practitioners

Date: February 4, 2026

Position: Favorable

The Maryland Assembly on School-Based Health Care (MASBHC) supports *House Bill 377 – Physician Assistant – Parity with Other Health Care Practitioners*. The bill recognizes the role of physician assistants as advanced practice clinicians in primary care and other health care settings. MASBHC is supporting this legislation because school-based health centers can be staffed by physician assistants along with nurse practitioners and physicians. The bill advances the integration of physician assistants into primary care settings by: 1) Creating a seat for a physician assistant on the State Advisory Council on Immunizations; 2) Recognizing the role of physician assistants as primary care providers in HMOs; and 3) Allowing physician assistants to prescribe epinephrine for emergency use in youth camps.

We ask for a favorable report on this legislation. If we can provide any further information, please contact Robyn Elliott at relliott@policypartners.net or (443) 926-3443.

SB 377- Earned Income Tax Credit - Individuals Wit

Uploaded by: Tonaeya Moore

Position: FAV



SB 377 - Earned Income Tax Credit - Individuals Without Qualifying Children - Eligibility
Senate Budget and Taxation Committee
February 4, 2026
FAVORABLE

Chair Guzzone, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 377. SB 377 expands access to the Earned Income Tax Credit (EITC) by increasing the maximum income requirement and connects it with the state's cost of living adjustments each year.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Making Work Pay: Earned Income Tax Credit

Maryland has a history of valuing its hard-working, low-income workers by offering a state version of the EITC. **This credit is one of the most powerful anti-poverty tools utilized by federal, state, and local governments.** Right now, many low-income workers are not eligible to receive the EITC or receive a very small credit, which means they are taxed further into poverty.

SB 377 increases 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 who do not claim dependents lessen the amount of taxes owed and even receive a refund.

Currently, Marylanders who are working full-time minimum wage jobs earn too much to qualify for the EITC, even though their salary is less than the amount needed to cover basic expenses. Maryland ranks 5th 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 around \$31,200.

At Maryland's current minimum wage of \$15/hr, a single filer would need to work under 25 hours a week to still be eligible for the credit. SB 377 would allow single filers that are working around 34 hours a week to be eligible.

Who are Single Filers Unable to Claim Dependents?

Single filers who are unable to claim dependents are workers who either do not currently have children or they cannot claim their children on their taxes. They include:



First-time expecting mothers



Youth aging out of foster-care



Young veterans



Non-custodial parents



Single men struggling to remain engaged in the
workforce

Low-income workers, even when working 40 hours a week, are often left in vulnerable positions; therefore, they are likely to experience financial hardship. Maryland has the opportunity to invest in Marylanders who need it most. The passage of SB 377 would reduce taxes for low-income workers, putting them on a path to long-term financial stability.

For these reasons, CASH and the undersigned organizations encourages a favorable report on SB 377.

Organizations

Advance Maryland
Allegany County Human Resources Development Commission (HRDC)
Baltimore Jewish Council
Center for Urban Families
Fair Share Maryland
Laurel Advocacy & Referral Services
Maryland Center on Economic Policy
Maryland Food Bank
Maryland Hunger Solutions
Maryland Nonprofits
Rural Maryland Council
Tax Credits for Maryland Families
Wilmax Advisory

2026 SB0377 Testimony Against 2026-02-04.pdf

Uploaded by: Alan Lang

Position: UNF

Testimony Against SB0377

Honorable Senators

Please enter an unfavorable decision about SB0377.

I am opposed to

- Expanding eligibility for the Maryland earned income tax credit for individuals without qualifying children by altering the income thresholds at which the credit phases out;
- providing that, after the 2025 tax year, the income threshold and phase-out amounts are adjusted annually for inflation; and
- applying the Act to all taxable years beginning after December 31, 2025.

Based on the fiscal and policy note from last year, expanding these benefits would cost the state roughly \$500 million over the next 5 years. At a time when the State is trying to cover a \$1.8 billion deficit without raising taxes, expanding a program does not make fiscal sense.

[2025 Regular Session - Fiscal and Policy Note for Senate Bill 668 \(maryland.gov\)](#)

Please enter an unfavorable decision about SB0377.

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February 2, 2026