

Poverty Free Maryland Testimony SB 935.pdf

Uploaded by: Abby Snyder, Co-Chair

Position: FAV



Written Testimony in Support of
SB 935 Income Tax – Subtraction Modification – Donations to Food
Banks and Other Charitable Entities
Budget & Taxation Committee | March 4, 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 envisions a Maryland without poverty, and a future where all Marylanders have the support and economic stability that's needed to thrive.

Poverty Free MD is a statewide coalition of organizations and advocates working to reduce poverty and promote economic security across Maryland. Food insecurity remains one of the most immediate and destabilizing challenges facing families, and HB 903 offers a targeted, pragmatic policy tool to strengthen Maryland's emergency food system.

Across the state, food banks and pantries are experiencing sustained increases in demand, driven by rising costs of living, reductions in federal safety-net benefits, and persistent inequities in access to nutritious food.

The latest available data from USDA in 2023 illustrates this trend clearly. Across the state, approximately 10.4 percent of households – over two million people, are food insecure. With recent reductions and losses in SNAP benefits and other programs such as Medicaid and the continued rising cost of living and unemployment rates, we know this number is on the rise.

Food banks perform a critical role in ensuring households with no other options do not go without the necessary resources to survive.

SB 935 would establish a Maryland income tax subtraction modification of up to \$1,000 for donations of food or monetary gifts designated specifically for the purchase of food, when made to qualified charitable entities that provide food at no charge to individuals in need. This policy would meaningfully strengthen Maryland's hunger-relief infrastructure by encouraging private support for food procurement at a time when public resources are increasingly strained.

*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.*

Abby Snyder, Co-Chair

P: (240) 593-6121

E: ASnyder@baltjc.org

Anne Wallerstedt, Co-Chair

P: (410) 991-7285

E: AWallerstedt@mdfoodbank.org

Monetary donations designated for food purchases are especially critical because they allow food banks and pantries to:

- Purchase food when donated supply is insufficient or unpredictable
- Fill gaps in availability, including fresh, culturally relevant, or diet-specific foods
- Respond more quickly to shifts in community need

While federal nutrition programs and donated food remain essential, they are not sufficient on their own to meet growing demand, particularly as key supports have been reduced or eliminated. By incentivizing private food donations, SB 935 helps shift some of the burden created by federal funding gaps away from the state, while enabling everyday Marylanders to play a greater role in supporting food access in their communities.

Importantly, SB 935 includes a sunset provision and reporting requirement, ensuring the General Assembly can evaluate its effectiveness and fiscal impact over time.

By strengthening private support for emergency food systems, SB 935 will help ensure that food banks and pantries across Maryland can continue to serve families, seniors, and vulnerable individuals with dignity and consistency during uncertain economic times. For these reasons, the Poverty Free MD Coalition respectfully urges a favorable report on SB 935.

SB 935 - Maryland Food Bank - FAV.pdf

Uploaded by: Anne Wallerstedt

Position: FAV

SB 935
**Income Tax - Subtraction Modification - Donations to Food Banks and Other Charitable
Entities**
Senate Budget and Taxation Committee
March 4, 2026

FAVORABLE

Senate Bill 935 allows for up to \$1,000 to be subtracted from the Maryland income tax for monetary and food donations by a taxpayer to charitable organizations like food banks, homeless shelters, or religious organizations.

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.

In 2025, 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. The recent changes to the Supplemental Nutrition Assistance Program (SNAP) through HR1 have already begun to exacerbate these challenges as more neighbors lose access to their benefits and must turn to the charitable assistance network for food.

Given these rising costs and impacts to SNAP, the Maryland Food Bank anticipates that demand will increase, and not meaningfully decrease, for the foreseeable future. Heightened demand means increased costs to meet that demand, which will include purchased food, administrative expenses, and transportation – costs charitable organizations will struggle to afford. SB 935 will incentivize more donations to the Food Bank and other charitable feeding organizations at a historic time when more food is needed than ever to close the gap left by changes to SNAP. Both private and public support were crucial to ensuring no one was left behind during the recent government shutdown, and this bill provides a welcome method to boost private support at a similarly critical juncture.

For these reasons, the Maryland Food Bank respectfully requests a favorable report on SB 935.

SB 935_AACFB Testimony FAVORABLE.pdf

Uploaded by: Lindsay Alemi

Position: FAV



Testimony in Support of SB 935 - Income Tax – Subtraction Modification – Donations to Food Banks and Other Charitable Entities

Budget and Taxation

March 2, 2026

Dear Chair Guzzone, Vice Chair Rosapepe, and Budget and Taxation Committee Members,

On behalf of the Anne Arundel County Food Bank, I strongly urge the Committee to vote favorably for SB 935, Income Tax – Subtraction Modification – Donations to Food Banks and Other Charitable Entities. If passed, SB 935 will establish an income tax subtraction modification for donations of food and monetary gifts designated for the purchase of food to qualified charitable entities that provide food at no charge to individuals in need.

The Anne Arundel County Food Bank (AACFB) is a 501(c)(3) nonprofit established to alleviate food insecurity across our county, and we strongly support this legislation. Last fiscal year, AACFB distributed over 4.5 million pounds of food and essential supplies through our network of 76 partners. The demand for food continues to grow, exacerbated by rising living costs, benefit reductions, and persistent inequities in access to nutritious food.

Across Anne Arundel County, AACFB is experiencing sustained increases in demand for food assistance. An estimated 66,000 county residents are food-insecure, an increase of more than 11 percent over the past two years. Notably, this estimate predates recent reductions or losses in SNAP benefits and other safety-net programs, including Medicaid. Compared to the previous fiscal year, AACFB has served an average of 9 percent more households overall. However, the increase has been significantly sharper since recent SNAP changes took effect: from October through January, demand rose by 23 percent, underscoring the growing strain on local food assistance systems.

SB 935 would establish a Maryland income tax subtraction modification of up to \$1,000 for donations of food or monetary gifts designated specifically for the purchase of food, when given to qualified charitable entities that provide food at no charge to individuals in need. This policy would meaningfully strengthen Maryland's hunger relief infrastructure by encouraging private support to help food banks and pantries procure food.

Monetary donations designated for food purchases are especially critical for food banks and pantries. These funds allow organizations to:

- Purchase food when the donated supply is insufficient or unpredictable
- Fill gaps in availability, including fresh, culturally relevant, or diet-specific foods
- Expand programming and reach beyond what grants and other resources allow
- Respond more quickly to changes in community need

While federal nutrition programs and donated food remain essential, they are not sufficient on their own to meet demand, especially as many sources have been reduced or even eliminated. By incentivizing private food donations, SB 935 helps shift some of the burden of addressing federal funding gaps away from the state and empowers everyday Marylanders to play a greater role in supporting food access in their communities. SB 935 leverages a modest, targeted tax incentive to reduce the financial burden on donors and increase the resources available to organizations providing food at no charge to Marylanders in need.

Importantly, SB 935 includes a sunset provision and reporting requirement, ensuring the General Assembly can evaluate its effectiveness and fiscal impact over time.



By strengthening private support for emergency food systems, SB 935 helps ensure that food banks and pantries can continue to serve families, seniors, and vulnerable individuals with dignity and consistency during these uncertain times. As such, the Anne Arundel County Food Bank urges a favorable report on SB 935.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Leah Aiello Paley".

Leah Aiello Paley, LMSW
Chief Executive Officer
Anne Arundel County Food Bank

SB935 Crossfile of HB0903 Testimony.pdf

Uploaded by: Madelin Martinez

Position: FAV

SB935**Income Tax - Subtraction Modification - Donations to Food Banks and Other Charitable Entities**

Budget & Taxation Committee

March 4th 2026**Favorable**

Catholic Charities of Baltimore supports SB925, allows a subtraction under the Maryland income tax of up to \$1,000 for donations of certain food and monetary gifts made by a taxpayer during the taxable year to certain charitable entities that provide food at no cost to individuals in need; and requiring the Comptroller to report to the General Assembly by January 1, 2029, on whether the subtraction modification in the Act contributed to any increase in donations to charities providing food at no charge to certain individuals.

For over a century, Catholic Charities has provided care and services to improve the lives of Marylanders in need. We accompany Marylanders as they age with dignity, support their pursuit of employment and career advancement, heal from trauma and addiction, achieve independence, prepare for educational success, and welcome immigrant neighbors into Maryland communities.

As the largest private provider of human services in Maryland, Catholic Charities served nearly **381,000 meals in FY25** through programs that provide food to individuals and families in need. These include:

- **Our Daily Bread Employment Center:** 180,617 meals (avg. 15,051/month)
- **Christopher Place Employment Academy:** 22,587 meals (avg. 1,883/month)
- **Weinberg Housing and Resource Center:** 100,732 meals (avg. 8,395/month)
- **My Brother's Keeper:** 16,898 meals (avg. 1,416/month)
- **Sarah's House:** 29,973 meals (avg. 2,498/month)
- **Community Connections/Food Connect (Allegany and Garrett Counties):** 30,520 pantry meals distributed through local parish pantries

Across these programs, we feed between 20 and 400 individuals daily, many of whom have no other reliable source of nutritious meals. Some of our programs operate seven days per week, often serving multiple meals each day. We are also expanding our food services to respond to growing community needs. For example, Villa Maria Behavioral Health is launching a new food pantry at its Cumberland clinic in Allegany County to better support individuals receiving behavioral health services who are also experiencing food insecurity.

While demand for food remains steady, we have also experienced periods of increased need. At the same time, rising food costs have significantly strained our ability to keep pace. As we expand services to meet these needs, we have had to redirect limited program funds toward food purchases or rely more heavily on private donors to fill the gap.

A targeted tax incentive such as the one proposed in SB935 would encourage individuals and businesses to give more frequently and more generously. Even modest increases in donations would translate directly into additional meals for Marylanders experiencing food insecurity.

SB935 is a practical, fiscally responsible way to strengthen Maryland's charitable food network while supporting organizations that serve on the front lines of hunger relief. **For these reasons, Catholic Charities of Baltimore respectfully urges a favorable report on SB935.**

Submitted By: Madelin Martinez, Assistant Director of Advocacy

SB 935 Testimony.pdf

Uploaded by: Paul Corderman

Position: FAV

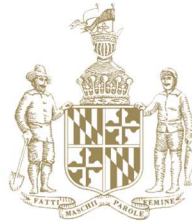
PAUL D. CORDERMAN
Legislative District 2
Frederick and Washington Counties

Budget and Taxation Committee

Subcommittees

Capital Budget

Education, Business and Administration



James Senate Office Building
11 Bladen Street, Room 403
Annapolis, Maryland 21401
410-841-3903 • 301-858-3903
800-492-7122 Ext. 3903
Paul.Corderman@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 4, 2026

Senate Budget & Tax Committee
Chair Guy Guzzone
Vice Chair Jim Rosapepe
3 West Miller Senate Office Building
Annapolis, MD 21401

Testimony In Support of SB 935 - Income Tax - Subtraction Modification - Donations to Food Banks and Other Charitable Entities

Chair Guzzone, Vice Chair Rosapepe, and Members of the Budget & Tax Committee,

Thank you for the opportunity to present Senate Bill 935. SB 935 offers a way to encourage more food and cash donations to organizations that feed Marylanders in need. SB 935 would allow taxpayers to subtract up to \$1,000 in donations to qualified food banks and other charitable entities. SB 935 creates a clear incentive to give, while retaining accountability through documentation and reporting requirements to assess the impact of this legislation after 3 years.

At a time when many families are struggling with rising grocery costs, even a modest increase in donations can make a meaningful difference. Senate Bill 935 is a measure that supports local nonprofits, strengthens food access, and helps ensure fewer Marylanders go hungry.

Thank you for your consideration of this bill, and we respectfully request a favorable report on SB 935.

Sincerely,

A handwritten signature in black ink, appearing to read "P. D. Corderman".

Senator Paul D. Corderman – District 2, Washington & Frederick Counties

SB935_Susan Allen_FAVORABLE.pdf

Uploaded by: Susan Allen

Position: FAV



**TESTIMONY IN SUPPORT OF
SB935 Income Tax Subtraction of Donations to Food Banks and Other
Charitable Entities**

FAVORABLE

TO: Budget and Taxation,

**FROM: Susan Allen, member of the Maryland Episcopal Public Policy
Network (MEPPN)**

DATE: March 4, 2026

Dear Chair Guzzone, Vice-Chair Rosapepe, and Committee members,

My church St. Anne's Episcopal in Annapolis works hard to provide food to our neighbors who experience food insecurity. For example, our members fill backpacks with food so students can help feed their families over the weekend. The MD Episcopal Diocese makes this statement about its commitment to Housing and Economic Justice:

“Jesus tells us in the Gospel of Matthew how the nations will be judged and it is all about how we have treated the very people that our systems and biases have marginalized.”

Economic Justice includes the rights to food, clothing, proper health care and housing.
(<https://episcopalmaryland.org/advocacy/>)

In this spirit of the right of our neighbors to healthy food and full nutrition, MEPPN supports this bill that will allow generous Marylanders and organizations to **deduct donations of food or cash contributions they provide for food at NO CHARGE TO INDIVIDUALS IN NEED.**

The Maryland Episcopal Public Policy Network (MEPPN) is a ministry of The Episcopal Diocese of Maryland, The Episcopal Diocese of Washington, and The Delaware-Maryland Synod ELCA

MEPPN believes that allowing a subtraction on MD income tax filings for donations to Food Banks and Other Charitable Entities will encourage donations and help tax exempt organizations provide even more food for Marylanders in need.

Members of St. Anne's, for example, would qualify for income tax food donations to the Lighthouse Shelter and the Chase Home that helps women and children under threat of homelessness.

The Maryland Episcopal Public Policy Network (MEPPN) requests a FAVORABLE report SB935.

Submitted by: Susan Allen
3463 Rockway Avenue
Annapolis, MD 21403

SB0935-BT_MACo_OPP.pdf

Uploaded by: Kevin Kinnally

Position: UNF



Senate Bill 935

Income Tax - Subtraction Modification - Donations to Food Banks and Other Charitable Entities

MACo Position: **OPPOSE**

To: Budget and Taxation Committee

Date: March 4, 2026

From: Kevin Kinnally

Tax Incentives and Local Government Autonomy

Counties enter this Session facing heightened economic uncertainty, rising costs, and growing concern about federal funding instability that directly affects local budgets and service delivery. At the same time, counties continue to absorb new or expanded responsibilities without reliable, ongoing funding, making local revenue stability more critical than ever.

Counties are eager and committed partners in promoting economic growth and creating opportunity – and prefer local autonomy in determining the best way locally. **The Maryland Association of Counties (MACo) opposes state-mandated reductions in local revenue sources, but welcomes flexible, optional tools to serve and respond to local needs and community priorities.**

The General Assembly routinely considers broad or targeted tax incentives to stimulate economic growth, encourage beneficial activities, or attract and retain residents. These proposals sometimes focus exclusively on the State's tax structure, but often extend to local revenues as well.

In general, MACo stands for local self-determination. Counties, led by locally elected leaders directly accountable within the communities they serve, are best positioned to govern local affairs – ranging from land use to fiscal matters. MACo steadfastly guards local autonomy and consistently opposes one-size-fits-all policies that override local decision-making.

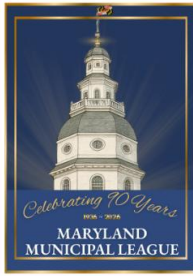
State tax incentives should be enacted as "local option" offerings to allow counties maximum flexibility in tailoring local policies to meet local needs and priorities. The State and its local governments already work together here, where the State routinely grants a state-level property tax credit, enabling county governments to enact their own local-option property tax credits.

MACo urges the Committee to primarily consider state income tax credits as the best means to incorporate local tax relief into a broader policy. MACo and county governments stand ready to work with state policymakers to craft flexible, optional tools to deliver broad or targeted tax incentives, but resist state-mandated changes that preclude local input.

MML - SB935 - INFO.pdf

Uploaded by: Justin Fiore

Position: INFO



TESTIMONY

COMMITTEE: Senate Budget and Taxation

DATE: March 4, 2026

POSITION: Informational

BILL: SB 935

The Maryland Municipal League (MML) appreciates the intent of subtraction modification legislation and the impact it can have on businesses and residents. However, we do believe it is important to highlight that such bills have a trickle-down impact on municipal governments, which receive 17% of the local income tax from their residents.

Local governments are better positioned for success when their revenue sources are consistent, and they have opportunities to balance the scales with local consideration. This is why MML has long advocated for optional local tax credits versus state mandates or subtraction modifications. Similarly, we would advocate for state tax credits in lieu of subtraction modifications to meet the goals of the proposed legislation.

We ask you to keep this in mind when considering SB 935.

For more information relating to this piece of testimony, please contact:

Justin Fiore: Director, Advocacy and Public Policy, justinf@mdmunicipal.org