

HB0069\_RichardKaplowitz\_FAV

02/19/2026

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Frederick, MD 21703

**TESTIMONY ON HB#0069 POSITION: FAVORABLE**

**Labor and Employment - Exemptions From Overtime Pay - Administrative, Executive, or Professional Capacity**

**TO:** Chair Wells, Vice Chair Kerr, and members of the Government, Labor and Elections Committee

**FROM:** Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of HB#/0069, **Labor and Employment - Exemptions From Overtime Pay - Administrative, Executive, or Professional Capacity**

The Economic Policy Institute Working Economics Blog has determined *No tax on overtime is another gimmick that would do more harm than good*<sup>1</sup>

With Congressional Republicans having passed a budget resolution, one of the tax provisions certain to be discussed in federal budget deliberations will be President Trump's [expressed priority to exempt overtime pay](#) from taxation. ...

Like [the misguided "no tax on tips" bills](#) that have also been moving in some states, these "no tax on overtime" measures are a gimmick. Though pitched as support for regular working people, the primary beneficiaries of these proposals would be employers and high earners who game the system. Exempting overtime from taxation would do more harm than good, and there are far better ways to support workers putting in long hours.

In summary, exempting overtime from taxation would:

1. Encourage excessive hours of work while exacerbating inequities between workers able to work long hours and those who cannot.
2. Put downward pressure on base wages.
3. Open up a tax loophole easily gamed by high earners that would drain public budgets while further complicating the tax system.

Maryland can combat this abandonment of workers by the Federal Administration by its schemes through passing this bill to alter the exemption from overtime pay for individuals who are employed to work in an administrative, executive, or professional capacity.

**I respectfully urge this committee to return a favorable report on HB#/0069.**

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<sup>1</sup> <https://www.epi.org/blog/no-tax-on-overtime-is-another-gimmick-that-would-do-more-harm-than-good/#:~:text=With%20Congressional%20Republicans%20having%20passed,workers%20putting%20in%20long%20hours.>