

OFFICERS & DIRECTORS

January 20, 2026

Ann F. Elliott
President

Hannah Coyle
1st Vice President

Christopher Williams
2nd Vice President

Matthew T. Eddleman
Secretary

Michael S. McIlhargey
Treasurer

Andrea Foster
Delegate

Keila Hill-Trawick
Delegate

Nicole Moore
Delegate

Anthony Pelura
Delegate

John Salan
Delegate

Donya Oneto
Past President

Bob Medbery
Board of Trustees Delegate

Giavante' Hawkins
Executive Director

The Honorable Delegate Jheanelle K. Wilkins
Chair House Ways and Means Committee
House Office Building, Room 131
6 Bladen Street
Annapolis, MD 21401

Re: House Bill 133 Income Tax and Sales and Use Tax Rate Reductions and Alterations

Chair Wilkins and Members of the Committee,
The Maryland Society of Accounting and Tax Professionals represents over 1,400 tax and accounting professionals who collectively serve more than 400,000 Maryland taxpayers and small businesses. We respectfully submit this testimony in opposition to House Bill 133.

House Bill 133 proposes sweeping tax changes that would dramatically reduce State revenues without a clear replacement funding mechanism. While tax relief is appealing, the scale of the proposed reductions raises serious concerns about long-term fiscal stability and the State's ability to fund education, transportation, and essential public services.

The shift to a flat income tax rate disproportionately benefits higher-income taxpayers and corporations while providing limited relief to lower-income households. At the same time, increasing the capital gains tax rate and expanding its application create new complexity and uncertainty for retirees and investors.

From an administrative standpoint, the bill would require extensive system changes, tax software updates, and retraining for practitioners and State agencies. These transition costs should be carefully weighed against the proposed benefits.

For these reasons, the Maryland Society of Accounting and Tax Professionals respectfully urges an Unfavorable Report on House Bill 133.

Respectfully submitted,

Giavante Hawkins
Giavante' Hawkins

