



1410 Bush Street (Suite A)
Baltimore, MD 21230
Phone: 410-547-1515
Email: info@afscmemd.org

Patrick Moran – President

**HB 880 – Maryland Income Tax – Decoupling From Amendments to the Internal Revenue Code
– Depreciation and Business Interest Expenses
Ways and Means Committee
February 26, 2026**

FAVORABLE

AFSCME Maryland Council 3 supports House Bill 880. In 2025 H.R. 1, passed by the current Congress and signed into law by the current federal administration, increased the cap on the amount of interest paid on debt that is deductible as a business expense. House Bill 880 would maintain the current, lower cap. This bill decouples from provisions that accelerate the timing of deductions for certain equipment purchases.

AFSCME Maryland Council 3 represents approximately 55,000 public service workers across varying levels of government including city, county, state, and higher education. AFSCME members are on the frontlines every day delivering critical public services our communities depend on.

Public services across Maryland need investment to support our communities. Public safety, health, education, transportation, public works, and other essential services desperately need investment to deliver the services Marylanders depend on. Whether it is short staffing, deferred maintenance on facilities, or insufficient equipment, when we fail to invest in our public services it is Marylanders who suffer the consequences. Maryland needs resources for our public services, particularly in an environment and time when the federal administration routinely cuts or threatens federal funding for state and local programs.

We urge the committee to support House Bill 880.