



Testimony in Support of:
HB 801- Income Tax – Addition Modifications – Business Stock Gains, Fines, Penalties, and Bonus Depreciation;
HB 880 – Maryland Income Tax – Decoupling from Amendments to the Internal Revenue Code – Depreciation and Business Interest Expenses; and
HB 1080 – Income Tax – Addition Modifications – Excluded Opportunity Fund Gains, Foreign-Derived Deduction Eligible Income, and Interest.

House Ways and Means Committee
February 26, 2026

Dear Chair Wilkins, Vice-Chair Feldmark, and Members of the House Ways and Means Committee,

On behalf of the Anne Arundel County Food Bank, I strongly urge the Committee to vote favorably for HB 801- Income Tax – Addition Modifications – Business Stock Gains, Fines, Penalties, and Bonus Depreciation; HB 880 – Maryland Income Tax – Decoupling from Amendments to the Internal Revenue Code – Depreciation and Business Interest Expenses; and HB 1080 – Income Tax – Addition Modifications – Excluded Opportunity Fund Gains, Foreign-Derived Deduction Eligible Income, and Interest.

Federal legislation passed in 2025 provided \$4.5 trillion in new tax breaks that overwhelmingly benefit investors, large corporations, and ultra-wealthy individuals. At the same time, the legislation is threatening essential food assistance and health care for thousands of Marylanders and straining the state budget.

Anne Arundel County Food Bank (AACFB) strongly supports decoupling our state tax code from these federal tax changes to protect resources that Maryland families and communities need to thrive. We should not double down and provide additional, costly state tax breaks on top of the federal windfall the privileged few have already received.

The Anne Arundel County Food Bank serves an average of 52,000 individuals each month with food and critical supplies across Anne Arundel County. Demand for these services continues to rise, particularly as safety-net benefits are reduced or eliminated for households nationwide, including changes to SNAP.

Recent federal changes to SNAP are estimated to cost the State of Maryland approximately \$58 million per year in additional administrative costs alone, with the potential for even greater costs if benefit liabilities are shifted to the state. Food-insecure Marylanders cannot afford policy decisions that reduce state resources while simultaneously weakening access to critical safety-net programs that families rely on to meet basic needs

Three bills – HB 801, HB 880, and HB 1080 – maintain Maryland’s current rules for corporate income tax and deductions available to wealthy investors. Federal tax changes gave significant new tax breaks to these groups by changing various deductions, such as adjusting the percentage of an expense that is deductible or the timing of when it can be deducted.

Maryland’s corporate tax system already offers generous breaks to many wealthy multinational corporations because we have not closed major loopholes that most other states have addressed. We can’t afford to provide another boost to CEOs and shareholders while so many Maryland families are struggling to afford basics like rent,

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utilities, and food.

And we can't grow our economy if we are cutting back on essential services, including public schools, child care, and transit. It is essential that the General Assembly preserve state revenue and eliminate tax breaks to the wealthy few.

We ask the committee to make a favorable report on HB 801, HB 880, and HB 1080.

Sincerely,

A handwritten signature in black ink that reads "Leah Aiello Paley". The signature is written in a cursive, flowing style.

Leah Aiello Paley, LMSW
Chief Executive Officer