



**Caring For Maryland's Most
Important Natural Resource™**

Maryland State Child Care Association

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The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5500 members working in the field of child care/early childhood education. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.

Testimony: HB 363: Income Tax- Local Child Tax Credit- Authorization

Submitted to: The Way and Means Committee

February 12, 2026

Maryland State Child Care Association enthusiastically supports HB 363 as MSCCA believes tax credits play a role in helping families maintain economic stability.

Enabling a local Child Tax Credit is an effective strategy to reduce child poverty and contribute to alleviating financial stress for families.

These credits directly increase disposable income for essentials like food, rent, and childcare, supporting workforce participation and long-term child development.

There are numerous benefits to a local Child Tax Credit including lifting families out of poverty. The credits act as a safety net for eligible families, helping to reduce some cost of living, the credits enable parents to afford things like child care and remain in the workforce.

Unlike programs with specific restrictions, tax credits offer flexibility, allowing families to use funds for their most urgent needs, such as diapers, utilities, or rent.

Increased economic security via tax credits is linked to better health, education, and long-term development for children.

Passing HB 363 to enable child tax credit in combination with state or federal programs, provides a targeted approach to tackling the specific economic, child care, and cost-of-living challenges within a community.

MSCCA requests a favorable report.