



**HB 926 - Income Tax – Individual Itemized Deductions – Alterations**  
**House Ways and Means Committee**  
**February 26, 2026**  
**SUPPORT**

Chair Wilkins, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of House Bill 926. This bill is a part of a package of bills that will keep our tax code working for low to moderate income families.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Wealthy individuals were among the biggest beneficiaries of the 2025 federal tax changes, with the wealthiest 1% of households expected to get more than \$66,000 knocked off of their annual taxes, on average. Low- and moderate-income households are expected to see very little change in their income taxes while potentially losing supports that help them afford health care and food.

H.R. 1 quadrupled the federal income tax deduction for state and local taxes. If Maryland matches this change in our state tax code, it would cost millions in state revenue while only benefiting people who are wealthy enough to own very expensive properties or multiple properties. Taxes on vacation homes are still deductible, even if they are located in another state. Further, with the higher standard deduction at the federal and state level adopted in recent years, most working families don't even itemize deductions, so the cap has no effect on their taxes.

CASH 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.

With the deficits the state is projecting in the coming years, Maryland can't afford a tax break for well-off property owners.

***Thus, we encourage you to return a favorable report for HB 926.***

*Creating Assets, Savings and Hope*