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**Written Testimony to the Members of the House Ways and Means Committee  
HB 930 – Income Tax – Decoupling From Federal Changes – Education Expenses  
February 26, 2026**

**SUPPORT**

Chair Wilkins and Members of the Committee: HB 930 is vital to maintain Maryland's education funding. By decoupling our state tax code from certain federal provisions, it helps to ensure that state resources remain focused on their original intent – to support higher education and public investment.

This bill prevents a diversion of state tax revenue that would otherwise occur automatically due to federal changes, allowing Maryland to decide its own priorities for education-related tax incentives rather than simply following shifting federal standards.

A major concern is the use of 529 college savings plans for private K-12 elementary and secondary education expenses. While federal law has expanded the use of these accounts, Maryland's 529 programs were designed to specifically make college more affordable and accessible for all residents. Without decoupling, the state subsidizes private K-12 tuition through tax breaks, which can benefit wealthier families and reduce the general fund revenue available for Maryland's public school system.

HB 930 provides necessary modifications to the state income tax. This ensures that when employers make contributions to specific federal accounts on behalf of employees, or when distributions are made that do not align with Maryland's defined education expenses, the state remains consistent with policy goals.

This legislation is a proactive measure that safeguards Maryland's fiscal health and promotes equity. It allows the state to maintain clear policy on education-related tax benefits, to help ensure they are used to support students in their higher education goals. We ask for a favorable report on HB 930. Thank you.

