Testimony in Support of HB 801, HB 880 and HB 1080

Presented to the House Ways and Means Committee

February 26, 2026

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.

I strongly support 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.

My partner and I are choosing to foster and hopefully adopt to grow our family. Seeing the cuts to the public school system scares me, as I do not know if we can both support the higher needs of foster children and afford private school if the public school system continues to receive funding cuts rather than increased funding. I very much understand friends who are choosing not to have kids because the cost of raising a family in Maryland continues to grow with inflation, rising energy costs, and rising childcare costs. The only way I see to be equitable about this is to support public programming that benefits any who choose to participate. We need to spread the cost out to those who can most afford it, not cut funding to public programs as the direct result of tax breaks benefiting the wealthy.

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 making changes to 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, utilities, and food.

And, we can't grow our economy if we are cutting back on things like public schools, child care, and transit service. It is essential that the General Assembly preserve state revenue and not follow the lead of Congress to give more tax breaks to the wealthy few.

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