



HB1238 Taxation – Ultra-High-Net-Worth Individual Surtax and Wealth Tax
Position: Favorable

March 5, 2026

The Honorable Jheanelle K. Wilkins, Chair
Ways and Means Committee
130 Taylor Office Building
Annapolis, MD 21401
Cc: Members of the Committee

Chair Wilkins and members of the Ways and Means Committee,

Economic Action urges a favorable report on HB1238 which levies a surtax on individuals with incomes of or exceeding a billion dollars a year. HB1238 provides that funds that are realized from the surtax will be used to address Maryland's structural deficit and offset reductions in federal funding for state programs.

It is a well-established fact that Maryland is facing an affordability crisis. Foreclosure rates are some of the highest in the nation, large numbers of renters struggle to make rent each month, and low-wage families are living paycheck to paycheck.

With changes at the federal level, hundreds of thousands of Marylanders are at risk of losing medical and food assistance. HB1238 would generate sufficient revenue to support these at-risk Marylanders as well as mitigate Maryland's structural deficit.

While the wealth tax would produce tremendous benefits for low-income Marylanders and for the state, the cost to billionaires would be small proportionately. As Maryland struggles with both a structural deficit and to meet its goals of ending child poverty, a wealth tax is a commonsense solution to accomplish these goals.

For all these reasons, we support HB1238 and urge a favorable report.

Best,

Marceline White
Executive Director

Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

2209 Maryland Ave · Baltimore, MD 21218 | www.econaction.org
Marceline White · Marceline@EconAction.org | Jennifer Bevan-Dangel · Jennifer@EconAction.org