

Testimony in Support of HB 926

Presented to the House Ways and Means Committee

February 26, 2026

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.

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.

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 benefitting 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.

With the deficits the state is projecting in the coming years, Maryland can't afford a tax break for well-off property owners. **I ask the committee to make a favorable report on HB 926**