

**Written Testimony Submitted to
the Maryland House Ways and Means Committee
Regarding House Bill 926**

February 24, 2026

Chair, Vice-Chair, and Members of the Committee,

Thank you for the opportunity to submit testimony in support of House Bill 926, which would decouple Maryland from recent federal increases to the cap on state and local tax (SALT) deductions. My name is Miles Trinidad, and I am a state analyst with the Institute on Taxation and Economic Policy (ITEP), a nonpartisan research organization based in Washington, DC, specializing in state, local, and federal tax policy with a focus on equity and sustainability.

Prior to this year, Maryland allowed taxpayers to deduct up to \$10,000 in state and local tax payments, the same limit as the previous federal SALT cap deduction. Last year's federal tax law increased that \$10,000 limit to \$40,000. HB 926 simply maintains the \$10,000 limit for Maryland tax purposes. Coupling to the new federal cap and income limit would mostly benefit a small number of wealthy state residents with a significant cost to Maryland's state tax revenue. SALT deductions are a poor way to help homeowners manage their property tax bills, in part because they are only available to the minority of households who itemize their deductions.ⁱ Those are the taxpayers who need assistance the least.ⁱⁱ If lawmakers wish to support residents struggling to afford their property tax bills, they should focus on policies like homestead exemptions, deferral programs, and, best of all, evidenced-based circuit breakers that ensure homeowners and renters alike are not asked to pay more property taxes than they can afford.ⁱⁱⁱ

For these reasons, I urge a favorable report on House Bill 926.
Thank you for your consideration.

Miles Trinidad
State Policy Analyst
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ⁱ Dylan Grundman O'Neill and Nick Johnson. "States Should Move Quickly to Chart Their Own Course on SALT Deductions." Institute on Taxation and Economic Policy. July 17, 2025. Available at <https://itep.org/salt-cap-trump-megabill-state-revenue/>

ⁱⁱ Carl Davis. "State Itemized Deductions: Surveying the Landscape, Exploring Reforms." institute on Taxation and Economic Policy. February 5, 2020. Available at <https://itep.org/state-itemized-deductions-surveying-the-landscape-exploring-reforms/>

ⁱⁱⁱ ITEP Staff. "States Looking to Make Property Taxes Affordable Should Turn to 'Circuit Breakers'." Institute on Taxation and Economic Policy. May 11, 2023. Available at <https://itep.org/states-looking-to-make-property-taxes-affordable-should-turn-to-circuit-breakers/>