

## **Final Statement – House Bill 902 (February 19, 2026) Retire in Maryland Tax Relief Act**

Chair Wilkins, Vice Chair Feldmark, and members of the Ways and Means Committee, thank you for the opportunity to testify today. For the record, I am Delegate Denise Roberts, proudly representing District 25, and I am also the proud sponsor of House Bill 902, the Retire in Maryland Tax Relief Act.

HB 902 is built on a simple but powerful reality: as Marylanders age, their costs go up while their financial flexibility goes down. Housing costs rise, prescription drugs and medical care become more frequent and more expensive, and everyday essentials—from groceries to utilities—take a larger share of a fixed income. Yet for many of our oldest residents, their income is not growing to meet those costs.

HB 902 responds to that reality in a targeted and responsible way by creating a State income tax credit for Maryland residents age 77 and older with moderate incomes. The structure of the bill is intentionally graduated and focused. The credit begins at 25% of a senior's State income tax liability at age 77, increases to 50% at age 78, 75% at age 79, and reaches 100% at age 80 and above. The oldest Marylanders—those most likely to be widowed, living alone, and facing the highest health-related expenses—receive the strongest relief.

Importantly, the credit is limited to moderate-income households: up to \$175,000 for individual filers and up to \$250,000 for joint filers, surviving spouses, and heads of household. That means this relief goes to middle-income retirees, not to the wealthy.

Maryland has taken steps in recent years to ease the tax burden on retirees. We provide Social Security exemptions, pension exclusions, and the 2022 Retirement Tax Elimination Act credit.

We even passed a subtraction modification for centenarians—a recognition that living to 100 in Maryland is an achievement worthy of tax relief. But for the vast majority of seniors, especially those in their late 70s and 80s, these existing programs are no longer enough. Inflation, higher rents, and escalating health care costs have eroded the value of those benefits. Seniors who spent their lives working, raising families, volunteering, and paying taxes in Maryland now face the painful choice of leaving the state they helped build because they cannot afford to stay.

HB 902 is designed to prevent that outcome. By reducing or eliminating State income tax for our oldest residents, this bill helps them stay in their homes, remain close to their children and grandchildren, and continue to be active in their communities. This is not about luxury; it is about security and dignity—about making sure a Marylander in their late 70s does not have to choose between filling a prescription and filling the fridge, and making sure an 82-year-old widow can afford to stay in the community where she has lived for decades.

This bill also benefits Maryland's broader economy and fiscal health. When retirees leave Maryland, they do not just take their stories and their community engagement with them—they take their tax base: income tax, sales tax, property tax, fuel tax, and their day-to-day spending in local businesses. Retirees support small businesses, faith communities, nonprofits, and civic organizations. Keeping them here strengthens local economies in every county and city. In a time when our state is concerned about revenue softening and population stagnation, retaining older residents is not just compassionate policy; it is sound economic strategy.

HB 902 is also carefully crafted to be fiscally responsible. The credit is non-refundable—it can only reduce taxes owed, not generate a cash payout. It does not carry forward to future years,

and it cannot be stacked with Maryland's existing senior tax credit, ensuring we do not create overlapping or duplicative benefits. These safeguards ensure that the program is targeted and controlled.

The fiscal note indicates that implementation will require modest administrative resources in the Comptroller's Office relative to the scale of the benefit and the number of seniors who stand to gain. Colleagues, this bill is about our values as much as our budget. Do we want Maryland to be a place where residents, who have worked and contributed here their entire lives, can age in place with stability and dignity? Or do we accept a status quo where they feel compelled to move to more tax-friendly states in their final decades of life?

For me, this is not an abstract policy question. My own father, whom some of you met just a few days ago, moved to Florida 19 years ago. My family and I would love to bring him home, but the honest truth is that for him—and for many like him—Maryland is simply too expensive in retirement. HB 902 is one step toward making sure that families like mine do not have to watch their loved ones spend their final years in another state because they cannot afford to grow old in the place they call home.

HB 902 says clearly that Maryland chooses to stand with its seniors. It says that we see the people who built this state, staffed its schools and hospitals, ran its small businesses, served in its federal facilities, and we are not willing to watch them be priced out of their own communities.

I am proud to join my Senate colleague in advancing this cross-filed effort, and I am grateful for the strong support from senior advocacy organizations, including the National Active and Retired Federal Employees, as well as from senior communities across my district. I respectfully ask for a favorable report on HB

902 so that together we can help more Marylanders retire in Maryland, not be forced to retire from Maryland.

Thank you, Madam Chair and members of the Committee. I am happy to answer any questions.