

March 30, 2021

The Honorable Guy Guzzone
Senate Budget and Taxation Committee
Miller Senate Office Building,
3 West Wing 11 Bladen St.,
Annapolis, MD, 21401

RE: HB 495 Income Tax – Internal Revenue Code Amendments and the Federal CARES Act – Decoupling

Dear Chairman Guzzone:

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in the HB 495 Income Tax – Internal Revenue Code Amendments and the Federal CARES Act – Decoupling. MBIA Opposes the Act in its current version.

This bill would prevent the retroactive application of federal tax credits for taxable years beginning after 2021. MBIA opposes this measure because of both the timing and the long-term effects of its application. Businesses set out budgets based on anticipated taxes and preventing them from taking advantage of previously available tax deductions. This bill would force substantial revaluation of ongoing activities for businesses and create additional expenses while businesses are already struggling during a period of severe economic restriction.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Budget and Taxation Committee