

# MARYLAND FAIR FUNDING COALITION

Testimony in SUPPORT of HB 495  
Del. Anne Kaiser, Chair  
House Ways & Means Committee

The Maryland Fair Funding Coalition (MFFC) is a growing coalition of more than organizations across the state who are committed to the state raising revenue to sustainably provide the resources it needs to make significant new investments in education funding and other essential services.

The MFFC supports proposals focused on eliminating loopholes and tax breaks that benefit special interests and fixing our upside-down tax code, which allows the wealthiest individuals to pay the smallest share of their income in state and local taxes. Fixing our tax system will support significant new state investments in education and ensure that large corporations and wealthy individuals are paying their share for the public services we all rely on.

**Our coalition supports HB 495, which prevents Maryland from adopting new federal tax breaks at the state level and protects much-needed state revenue to secure Maryland's economic future.**

The federal CARES Act included tax breaks that were overwhelmingly tilted to large, profitable corporations and well-off business owners. Without action, Maryland will automatically offer these same tax breaks at the state level, costing the state an estimated \$280 million over the next three years. Decoupling from the CARES Act tax provisions and preserving that revenue to fund the urgent and emerging needs of our state is good policy. With a wide range of state services stretched thin as a result of the pandemic, the best way to support our communities is to clean up Maryland's tax code to make it more effective and more equitable.

**Therefore, we urge a favorable report on House Bill 495**