



TESTIMONY IN SUPPORT OF HB 252

Income Tax - Return Preparation Assistance Program for Low-Income Families

*Senate Budget & Taxation Committee
March 29, 2022*

Submitted by Julia Gross and Kali Schumitz, Co-Chairs

Member Agencies:

211 Maryland

Baltimore Jewish Council

Behavioral Health System Baltimore

CASH Campaign of Maryland

Energy Advocates

Episcopal Diocese of Maryland

Family League of Baltimore

Fuel Fund of Maryland

Job Opportunities Task Force

Laurel Advocacy & Referral Services,
Inc.

League of Women Voters of Maryland

Loyola University Maryland

Maryland Center on Economic Policy

Maryland Community Action
Partnership

Maryland Family Network

Maryland Food Bank

Maryland Hunger Solutions

Paul's Place

St. Vincent de Paul of Baltimore

Welfare Advocates

Marylanders Against Poverty

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Marylanders Against Poverty (MAP) strongly supports HB 252, which will help ensure that low-income working Marylanders will claim the Earned Income Tax Credit (EITC).

Maryland is one of the 30 states that values their hard-working, low-income citizens by offering a state version of the Earned Income Tax Credit (EITC). The EITC is one of the most successful anti-poverty tools in Maryland. It has shown to disproportionately benefit women and communities of color, and helps keep young, single men engaged in the workforce.

The EITC puts money back into people's pockets and into the local economy. Research shows that tax refunds for low-to-moderate income families are used to pay for essentials like groceries, housing, and paying down debt.

Due to COVID-19, Maryland and the federal government has extended the eligibility and the worth of the EITC, meaning that was over \$260 million additional EITC dollars were available to directly to help low-income workers. Unfortunately, a little more than 20% of those who qualify for the EITC actually claim it.

A Return Preparation Assistance Program for Low-Income Families can help reach the most vulnerable families and better connect the program to those who qualify, making sure they get their full refund at tax time.

For these reasons, MAP appreciates your consideration and urges the committee to issue a favorable report for HB 252.

***Marylanders Against Poverty (MAP)** is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.*