



LEGISLATIVE POSITION:

Favorable
Senate Bill 93
Tax Credits – Employment of Individuals With Disabilities
Senate Budget & Taxation Committee

Tuesday, January 18, 2022

Dear Chairman Guzzone and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

Under current Maryland law, a business owner may claim a tax credit for the wages and qualified childcare or transportation expenses for employees with disabilities. These credits are currently capped at 30% of up to the first \$9,000 of wages paid during the first and second years of employment and up to \$900 of qualified childcare and transportation expenses incurred during the first two years of employment. SB 93 will provide a much-needed increase in these caps by raising the wage maximum to \$15,000 and the childcare/transportation maximum to \$1,500.

Small businesses are the backbone of Maryland's economy and many employ individuals with disabilities. In a historically tight labor market, these individuals help businesses meet their talent needs. They also strengthen a business's competitive edge by creating a culture of diversity and fostering creative business solutions.

SB 93 provides a modest increase in the amount a business owner may claim for expenses related to hiring an individual with a disability. By increasing these thresholds, business owners will be further incentivized to hire individuals with disabilities. This legislation also offers much needed tax relief as many businesses continue to recover from the COVID-19 pandemic. SB 93 is a great example of government supporting both small businesses and their workforce by taking a proactive approach to targeted hiring and economic recovery.

The Maryland Chamber of Commerce respectfully requests a **favorable report** on SB 93, as it provides both additional tax relief and encourages business owners to expand their talent pool to individuals with disabilities.