

March 2, 2022

HB 992

Income Tax – Earned Income Tax Credit – Alteration and Sunset Repeal

House Ways and Means Committee

Position: Support

House Bill 992 expands Maryland’s Earned Income Tax Credit (EITC), specifically matching the federal EITC at 45% for working families with children and 100% for workers without dependents and expanding the income eligibility for those workers without dependents. It also includes ITIN filers in its eligibility perimeters.

During the pandemic, Marylanders were able to access this expanded version of the EITC through the foresight of the Governor and the General Assembly to address this need. Continuing this expansion is crucial as many Marylanders and their families were struggling financially prior to the pandemic, and the pandemic has exacerbated their needs.

The Maryland Food Bank estimates that two million Marylanders are at risk of food insecurity. A person who is food insecure does not have consistent access to healthy and nutritious food on any given day, and this problem persists in every area of the state. Almost one-third of working families in Maryland are considered asset limited, income constrained, employed (“ALICE”), meaning they do not earn enough money to afford basic household necessities such as food, and we anticipate that the pandemic and its effects may have increased the number of ALICE families even higher. These families benefit immensely from the financial boost of the EITC, especially for purchasing food. The ability to purchase food obviously benefits families, but also has a direct impact on the economic wellbeing of their communities when that purchasing can happen close to home.

The Maryland Food Bank ascribes to the practice of “food justice,” meaning that we provide food to all who come forward in need of assistance, regardless of race, gender, ethnicity, religion, or citizenship status. In late 2021, we conducted a poll across our service area about food insecurity and found that 73% of Marylanders worry about their household’s financial situation, with 30% worrying about money every day. There is a pressing need for the financial relief the EITC can uniquely provide Marylanders and their families, and through our work with our network of partners in local communities, we know that this need is as acute for immigrants as it is for every other food insecure person across the state.

The Maryland Food Bank appreciates your consideration and respectfully requests a favorable report on HB 992.