TESTIMONY TO THE SENATE BUDGET AND TAXATION COMMITTEE

SB295 Income Tax - Earned Income Credit - Expansion

Position: Support

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The League of Women Voters is a nonpartisan organization that works to increase understanding of major public policy issues and influence public policy through education and advocacy. The League believes that one of the goals of social policy should be to reduce poverty and promote self-sufficiency for individuals and families.

Low wage workers are working to support their families but often not earning enough to survive on. This bill would increase the percent of the federal Earned Income Tax credit (EITC) used to determine what a worker with dependent children can claim for a refundable credit to 28% in 2016, and 30% in 2017.

The League believes that increasing the state’s EITC as proposed in this bill would help to promote self-sufficiency and reduce poverty among Maryland’s low income working citizens.

We urge the committee’s support of SB295.