TESTIMONY TO HOUSE WAYS AND MEANS COMMITTEE

HB 1047 EARNED INCOME TAX EXPANSION

POSITION: SUPPORT

BY: NANCY SORENG AND BARBARA SCHNACKENBERG, CO-PRESIDENTS

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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 themselves but often not earning enough to survive on. This bill would increase the eligibility income threshold for childless individuals, permit childless individuals (who are eligible for a smaller amount of Earned Income Tax Credit) to earn a State tax credit equal to 100% of the Federal tax credit and to claim a refund of the amount that exceeds the total tax payable by the individual. It also moves from 2018 to 2016, the date when the state EITC increases for other individuals from 26% to 28%

The League believes that expanding the 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 HB1047.