



To Lead, Advocate and Connect as the Voice of Business

**Senate Bill 262: Earned Income Tax Credit - Individuals Without Qualifying Children -
Calculation and Refundability**

and

**Senate Bill 263: Earned Income Tax Credit - Individuals Without Qualifying Children -
Eligibility and Refundability**

Budget and Tax

February 6, 2019

SUPPORT

The Montgomery County Chamber of Commerce (MCCC) accelerates the success of our over 400 members by advocating for increased business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and is proud to be a Montgomery County Green Certified Business.

Senate Bill 262 and Senate Bill 263 expand the State earned income tax credit (EITC) that can be claimed by individuals without qualifying children through two different methods. SB 262 increases to 100% the percentage of the federal credit that an individual without qualifying children may claim. SB 263 increases the maximum income for the state EITC to \$23,540 for single filers.

Maryland is an expensive place to run a business and it also an expensive place for employers and employees to live. The EITC is frequently cited by economists as being the most effective policy tool to address income inequality and provide relief to qualified low-income workers. The proposed legislation accelerates the amount of the credit allowed and, perhaps more important, expands the EITC available to childless workers in a way that makes the credit worthwhile and more effective at accomplishing its purpose. These two items of legislation will benefit low-income workers in the most direct manner possible.

For these reasons, we request a **favorable report on both Senate Bill 262 and Senate Bill 263.**