**Brooke E. Lierman** Comptroller of Maryland



# **News Release**

## PHOTO RELEASE: Comptroller Lierman Announces New Partnership with Urban Institute to Increase Claims for Earned Income Tax Credit

Research initiative one several partnerships strengthening tax credit education and outreach for low and middle-income Marylanders

**ANNAPOLIS, Md. (February 3, 2025)** — Comptroller Brooke E. Lierman has announced a new research partnership with the Urban Institute Tax Policy Center to examine strategies for helping more eligible Marylanders to claim the state's Earned Income Tax Credit.

Comptroller Lierman made the announcement during the <u>CASH Campaign of</u> <u>Maryland</u>'s "Keep Your Money! Free Tax Preparation Kickoff" press event on Friday at the University of Maryland, Baltimore County. The event emphasized the benefits of the Earned Income Tax Credit (EITC) for low- and middle-income Marylanders and 2025 marks the 50<sup>th</sup> anniversary of the EITC.

"The Earned Income Tax Credit is respected and lauded by people across the political spectrum because it has consistently demonstrated the ability to reduce poverty, it builds economic mobility amongst Americans, and it rewards working people," Comptroller Lierman said. "Unfortunately, Marylanders are leaving money on the table, and we want to get to the bottom of why and what can be done to shrink the share of unclaimed credits."



### Comptroller Brooke E. Lierman on January 31, 2025 during a CASH Campaign of Maryland EITC Awareness Day event at the University of Maryland, Baltimore County.

Tax data shows that in 2023, the Office of the Comptroller processed a record 3.4 million personal income tax returns and issued 2.3 million refunds. Additionally, the data revealed that 632,000 Marylanders were eligible for the state's EITC in 2023, but only 450,000 taxpayers claimed the credit. During that period, the average EITC benefit for eligible Marylanders was roughly \$1,100 for residents who qualified, and 180,000 people eligible to claim the credit did not.

Over the next six months, the Comptroller's team will work with the Urban Institute to analyze tax data and identify areas of the state where more eligible Marylanders are not claiming the ETIC or the CTC. Researchers will work with the agency to convene focus groups to learn more about individual awareness of tax credits and their experiences with the tax system. The goal is to better understand what contributes to or hinders Marylanders claiming individual credits. "Research consistently shows tax credits like the EITC and CTC contribute to financial stability for families. Studying the most effective outreach, community engagement, and tax filing strategies is essential to ensuring all households in Maryland—and across the country—can access these benefits," said Aravind Boddupalli and Luisa Godinez-Puig, Senior Research Associates at the Urban Institute.

Comptroller Lierman highlighted the launch of the agency's <u>#Earnedit Campaign</u>, which will seek to educate Marylanders about the benefits of EITC and Child Tax Credits, who could be eligible for the credits, and how to claim them. The #Earnedit Campaign will be supported by various agencies in the Moore-Miller administration providing crucial services to low and middle-income Marylanders, to reduce childhood poverty.

"I applaud the CASH Campaign and a broad coalition of partners at the local, state, and federal levels for making tax season a little bit easier. Every Marylander should take the time to learn about the free tax support available in our state and check their eligibility for programs like the Earned Income Tax Credit," said Gov. Moore. "Together, we will continue our commitment to making taxes in Maryland simpler, fairer, and pro-growth for all."

Comptroller Lierman also shared the new opportunity for Marylanders to use the new IRS Direct File platform, saying "Making government work better is one of my core priorities, and my team and I are proud this year to offer a better way to file tax returns for almost a million Marylanders through Direct File."

IRS Direct File is expected to make the uptake of the Earned Income Tax and other personal income tax credits easier for an estimated 30 million Americans, including 870,000 Marylanders. For Marylanders who are not eligible for Direct File, the CASH Campaign and a network of Volunteer Income Tax Assistance (VITA) Sites provide tax assistance for low and middle-income Marylanders.

The Office of the Comptroller provides tax preparation assistance through 11 branch offices across the state. Branch offices and call centers are open 8:30 a.m. to 4:30 p.m., Monday through Friday and call centers will remain open for personal income tax assistance until 6 p.m. between February 3 and April 15, 2025. Virtual appointments are also available.

Marylanders can make an appointment by calling **1-800-MD-TAXES** or **visiting our website**.

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