**Brooke E. Lierman** Comptroller of Maryland



## **News Release**

## Comptroller Lierman Testifies in Support of Cost-Saving Earned Income Tax Credit

Change in notification methods would save the agency \$145,000 in costs

**ANNAPOLIS, Md. (February 6, 2025) — Comptroller Brooke E. Lierman** testified today before the House Ways and Means Committee on <u>HB603</u>, a bill that would allow the Office of the Comptroller to send notifications related to the Earned Income Tax Credit (EITC) to businesses electronically, instead of solely by mail.

The EITC is widely considered one of most effective tools for combating poverty, and the Office of the Comptroller has recently launched several initiatives to encourage more Marylanders to claim the state's EITC, and the Child Tax Credit, including the Earned It Campaign, and a research partnership with the Urban Institute to identify where eligible Marylanders are not claiming the tax credits they have earned, and the barriers to claiming individual tax credits.

Current law requires the Comptroller's Office to send annual snail-mail information to businesses with employees who may qualify for the Earned Income Tax Credit (EITC). In 2024, the agency spent approximately \$145,000 to prepare and mail these letters.

"As you can guess, many employers don't open their mail, or they move addresses, and they don't tell us. We send out those letters every year at a cost of \$150,000 to the agency and many of those letters come back to us," Comptroller Lierman explained. "It would be much more efficient and much more effective if we could also email all of our employers and tell them about the EITC and then they could forward that email to their employees or post the material we share on an internal intranet."

This legislation will allow the Office of the Comptroller to send these annual EITC notices directly to business owners, who file and pay taxes through the Maryland Tax Connect platform.

Comptroller Lierman urged the subcommittee to give HB 603 a favorable report. The bill is currently scheduled for a hearing before the Senate Budget and Tax Committee on February 19, 2025.

###

## Media Contacts

Robyne McCullough <u>rmccullough@marylandtaxes.gov</u> 410-980-0139 (cell)

## **Barbara Sauers**

bsauers@marylandtaxes.gov 410-212-9414 (cell)

Comptroller of Maryland, 80 Calvert Street, Annapolis, Maryland 21401, United States