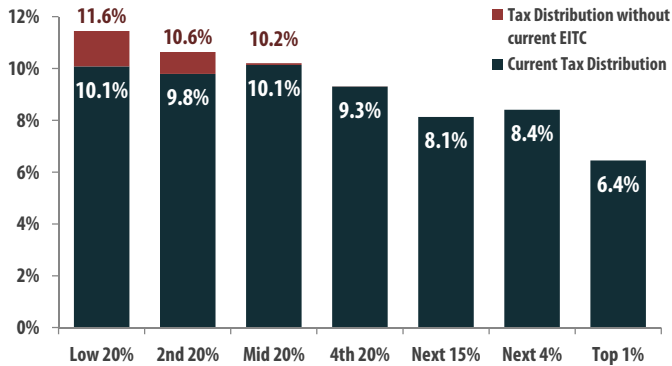


Maryland

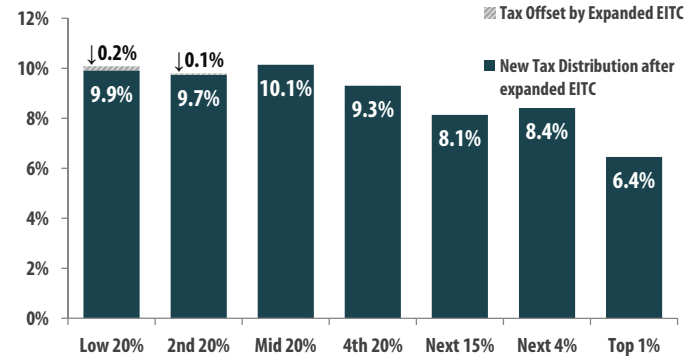
Current policy: Taxpayer chooses fully refundable state EITC worth 25% of the federal EITC, or 50% non-refundable credit. Refundable option is gradually increasing to 28% by 2018.

Income Group	Low 20%	2nd 20%	Mid 20%	4th 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$23,000	\$23,000 – \$42,000	\$42,000 – \$65,000	\$65,000 – \$108,000	\$108,000 – \$202,000	\$202,000 – \$444,000	\$444,000 – Or More
Average Income in Group	\$12,600	\$32,400	\$52,500	\$83,800	\$142,600	\$292,300	\$1,437,300

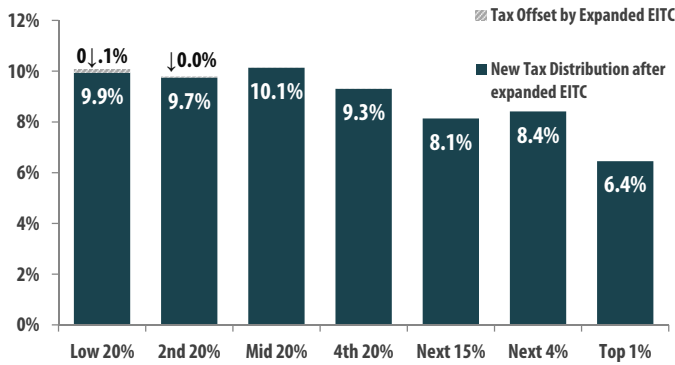
Current Distribution of Maryland's State & Local Taxes* (with impact of current EITC)



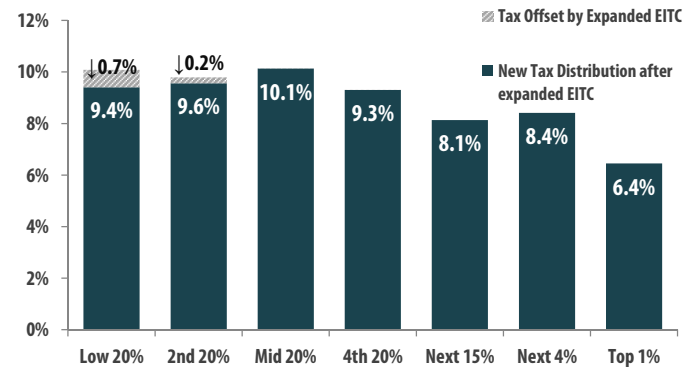
1) 2014 Legislative Fix: Increase to 28% Ref./Maintain 50% Non-Ref.



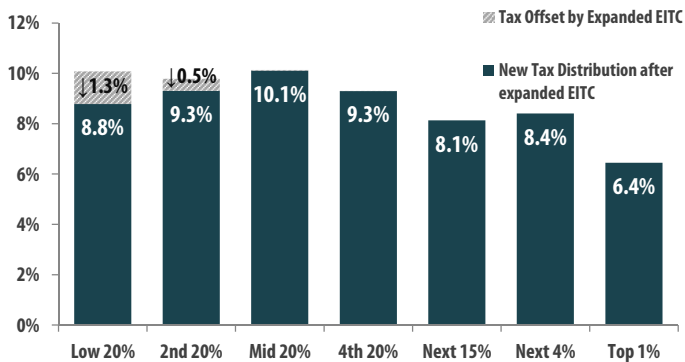
2) Increase Credit to 30% Ref/50% Non-Ref



3) Increase Credit to 40% Ref/50% Non-Ref



4) Increase Credit to 50% Fully Refundable



*The baseline distribution of taxes used in this report has been modified from the published *Who Pays?* results to reflect the gasoline and diesel tax increases enacted in 2013. Options 2-4 show the impact of the EITC expansion compared to a baseline where the refundable portion of the EITC has already increased to 28%, per legislation enacted in 2014 and taking full effect in 2018. The figures represent total state and local taxes as a share of income, post-federal offset. Due to rounding, the new tax distributions shown may not always precisely equal the current distribution minus the EITC offset.