

HOUSE BILL 1168

Q3

(6lr2618)

ENROLLED BILL

— *Ways and Means/Budget and Taxation* —

Introduced by **Delegates Buckel, Beitzel, Mautz, and Otto**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Cybersecurity Investment Tax Credit – Investment in Qualified Companies in**
3 **Low-Income Areas**

4 FOR the purpose of altering the amount of the credit allowed against the State income tax
5 for certain investments in certain qualified Maryland cybersecurity companies
6 located in certain counties; providing for the application of this Act; and generally
7 relating to a credit allowed against the State income tax for investments in certain
8 cybersecurity companies.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–733(b)(1)
12 Annotated Code of Maryland
13 (2010 Replacement Volume and 2015 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 BY repealing and reenacting, with amendments,
2 Article – Tax – General
3 Section 10–733(d)(1)
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2015 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
7 That the Laws of Maryland read as follows:

8 **Article – Tax – General**

9 10–733.

10 (b) (1) Subject to paragraph (2) of this subsection and subsections (d) and (f) of
11 this section, for the taxable year in which an investment in a qualified Maryland
12 cybersecurity company is made, a qualified Maryland cybersecurity company may claim a
13 credit against the State income tax in an amount equal to the amount of tax credit stated
14 in the final credit certificate approved by the Secretary for the investment as provided
15 under this section.

16 (d) (1) The tax credit allowed in an initial tax credit certificate issued under
17 this section is:

18 (I) **EXCEPT AS PROVIDED IN ITEM (II) OF THIS PARAGRAPH, 33%**
19 **of the investment in a qualified Maryland cybersecurity company, not to exceed \$250,000;**
20 **OR**

21 (II) **IF A QUALIFIED MARYLAND CYBERSECURITY COMPANY IS**
22 **LOCATED IN ALLEGANY COUNTY, DORCHESTER COUNTY, GARRETT COUNTY, OR**
23 **SOMERSET COUNTY ~~OR BALTIMORE CITY~~, 50% OF THE INVESTMENT IN THE**
24 **QUALIFIED MARYLAND CYBERSECURITY COMPANY, NOT TO EXCEED \$500,000.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
26 1, 2016, and shall be applicable to all initial tax credit certificates issued after June 30,
27 2016.