

# HOUSE BILL 373

Q3  
HB 1554/16 – HRU

7lr1863  
CF SB 226

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By: **Delegates D. Barnes, Afzali, Brooks, Buckel, Carr, Chang, Ciliberti, Fennell, Folden, Gilchrist, Gutierrez, Haynes, C. Howard, Knotts, Krimm, McConkey, McKay, Metzgar, Platt, Reznik, Shoemaker, Simonaire, Tarlau, Turner, Vogt, M. Washington, and C. Wilson**

Introduced and read first time: January 25, 2017

Assigned to: Ways and Means

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Committee Report: Favorable

House action: Adopted

Read second time: March 11, 2017

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Biotechnology Investment Tax Credit – Qualified Maryland Biotechnology**  
3 **Company – Definition**

4 FOR the purpose of altering the definition of “qualified Maryland biotechnology company”  
5 to extend a certain period of time from a certain date that an active business may  
6 claim the biotechnology tax credit; providing for the application of this Act; and  
7 generally relating to credits against certain State taxes based on certain investments  
8 in biotechnology companies.

9 BY repealing and reenacting, without amendments,  
10 Article – Tax – General  
11 Section 10–725(a)(1)  
12 Annotated Code of Maryland  
13 (2016 Replacement Volume)

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – General  
16 Section 10–725(a)(7)  
17 Annotated Code of Maryland  
18 (2016 Replacement Volume)

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### 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.



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

3 **Article – Tax – General**

4 10–725.

5 (a) (1) In this section the following words have the meanings indicated.

6 (7) (i) “Qualified Maryland biotechnology company” means a  
7 biotechnology company that:

- 8 1. has its headquarters and base of operations in this State;
- 9 2. has fewer than 50 full–time employees;
- 10 3. except as provided in subparagraph (ii) of this paragraph,  
11 has been in active business no longer than [10] 12 years;
- 12 4. does not have its securities publicly traded on any  
13 exchange; and
- 14 5. has been certified as a biotechnology company by the  
15 Department.

16 (ii) “Qualified Maryland biotechnology company” includes:

- 17 1. a company that has been in active business for up to [12]  
18 15 years if the Department determines that the company requires additional time to  
19 complete the process of regulatory approval; **OR**
- 20 2. [for fiscal years 2012 and 2013 only, a company that has  
21 been in active business for up to 15 years; or
- 22 3.] a company that has been in active business no longer than  
23 [10] 12 years from the date the company first received a qualified investment under this  
24 section.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
26 1, 2017, and shall be applicable to all initial credit certificates issued after June 30, 2017.