

Chapter 504

(House Bill 1168)

AN ACT concerning

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

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

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

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

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

Article – Tax – General

10–733.

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

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

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

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

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

Approved by the Governor, May 10, 2016.