



Wes Moore | Governor
Aruna Miller | Lt. Governor
Harry Coker, Jr. | Secretary of Commerce

DATE: February 12, 2026
BILL NO: House Bill 472
BILL TITLE: Income Tax - Theatrical Production Tax Credit - Sunset Extension
COMMITTEE: House Ways and Means
POSITION: INFORMATIONAL ONLY

House Bill 472 extends the termination date for the Theatrical Production Tax Credit from 2027 to 2032. The Maryland Department of Commerce (Commerce) provides the following information should it be helpful to the Committee in consideration of this legislation.

Chapter 258, Acts of 2022, established the Theatrical Production Tax Credit within Commerce. A qualified theatrical production entity that meets specified requirements and is approved by Commerce may receive a refundable tax credit equal to 25% of qualified theatrical production costs incurred in the State. “Theatrical production” is defined as a national touring production or pre-Broadway production that meets specified requirements. Any salary, wages, or other compensation for personal services of an individual who receives more than \$100,000 per week in compensation for personal services in connection with any theatrical production activity may not be included in total direct costs.

To qualify for the tax credit, the estimated total direct costs incurred in the State must exceed \$100,000. The theatrical production entity must notify Commerce of its intent to seek the tax credit before the production activity begins. A theatrical production entity is also required to submit an application containing specified information, including the project’s estimated total budget and the anticipated dates for carrying out the major elements of the theatrical production activity. The Secretary of Commerce may not award in the aggregate more than \$2 million for a single theatrical production or more than \$5 million in one fiscal year. Any credit amounts not awarded by Commerce in a fiscal year can be awarded in the next fiscal year.

In FY 2025, two recipients received a tax credit in the amount of \$555,310 and reported expenditures of \$2.2 million. These recipients produced the national touring productions of *Life of Pi* and *Annie*. In FY 2024, the production company managing the national tour for *The Wiz* received a tax credit in the amount of \$486,710 and reported expenditures of \$4.9 million. In addition to the three credits totaling just over \$1 million that have been issued, three more productions have been certified as qualified theatrical production entities.