

SENATE BILL 1107

Q3

6lr3408
CF HB 1554

By: **Senators Manno, Edwards, Feldman, Hough, King, Madaleno, McFadden,
Serafini, and Young**

Introduced and read first time: February 22, 2016

Assigned to: Rules

Re-referred to: Budget and Taxation, March 2, 2016

Committee Report: Favorable

Senate action: Adopted

Read second time: March 18, 2016

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 (2010 Replacement Volume and 2015 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Tax – General
16 Section 10–725(a)(7)
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2015 Supplement)

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

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.



Article – Tax – General

1

2 10–725.

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

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

6 1. has its headquarters and base of operations in this State;

7 2. has fewer than 50 full–time employees;

8 3. except as provided in subparagraph (ii) of this paragraph,
9 has been in active business no longer than [10] 12 years;10 4. does not have its securities publicly traded on any
11 exchange; and12 5. has been certified as a biotechnology company by the
13 Department.

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

15 1. a company that has been in active business for up to [12]
16 15 years if the Department determines that the company requires additional time to
17 complete the process of regulatory approval; **OR**18 2. [for fiscal years 2012 and 2013 only, a company that has
19 been in active business for up to 15 years; or20 3.] a company that has been in active business no longer than
21 [10] 12 years from the date the company first received a qualified investment under this
22 section.23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
24 1, 2016, and shall be applicable to all initial credit certificates issued after June 30, 2016.