



*To Lead, Advocate and Connect as the Voice of Business*

## **House Bill 540 - State Income and Property Tax Credits - Purple Line Construction Zone**

Ways and Means Committee

February 20, 2020

### **SUPPORT**

The Montgomery County Chamber of Commerce (MCCC), as the voice of Montgomery County business, supports House Bill 540, which creates property and income tax credits for qualified businesses impacted by the construction of the Purple Line light rail project in Montgomery and Prince George's Counties. Under House Bill 540, the Maryland Department of Transportation is responsible for administering the credit.

MCCC supports this bill because it recognizes that, during the construction phase, a large project such as the Purple Line can adversely impact businesses in a number of ways (short of taking private property). Although businesses can generally already declare losses on their income taxes, this tax credit could provide a useful alternative where appropriate. Moreover, a property tax credit is another useful alternative. Finally, the Fiscal Note estimates only a modest impact on State funds as a result of the legislation.

MCCC whole-heartedly supports the Purple Line, but recognizes that certain businesses may be displaced/negatively impacted during construction. For the aforementioned reasons, **the Chamber supports House Bill 540 and respectfully urges a favorable report.**

*The Montgomery County Chamber of Commerce (MCCC) accelerates the success of our nearly 500 members by advocating for increased business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and is proud to be a Montgomery County Green Certified Business.*