



**Memorandum in Support**

Income Tax – Credit for Cybersecurity Measures Undertaken by Small Businesses  
MD HB 1284

The American Booksellers Association (ABA) supports MD HB 1284 which authorizes a credit against Maryland state income tax for small businesses with 50 or fewer employees in regards to costs incurred for certain cybersecurity measures undertaken by the small business. ABA is the national, not-for-profit trade association representing independent bookstores with about 2,280 bookstore locations in the U.S., including 44 bookstores in Maryland. ABA member bookstores range in size from one-person operations to stores with multiple locations and hundreds of employees.

Small retailers were hit hard by the pandemic as many were closed for in-store shopping for months to mitigate the spread of the virus. In response, many bookstores opened or grew their e-commerce business to satisfy customer demand. Unfortunately, with the increase in online sales for small retailers, there has also been an increase in fraud. Scammers are becoming more sophisticated and aggressive, and these businesses risk being defrauded out of thousands of dollars. We greatly appreciate that the legislation aims to tackle this problem.

We thank Delegate Rose and her colleagues for introducing this legislation and urge Maryland legislators to support and pass this bill.

Sincerely,

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