

February 14, 2024

The Honorable Guy Guzzone
Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

RE:

Dear Chair Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **Catalytic Revitalization Project Tax Credit – Alterations**. MBIA **Opposes** the Act in its current version.

Senate Bill 394 would alter the amount of a certain credit against the State income tax that certain persons may claim for certain construction and rehabilitation costs for certain catalytic revitalization projects and repeal a certain limitation on the number of initial tax credit certificates. To give some background the Catalytic Revitalization Tax Credit was designed to rehabilitate properties formerly owned by the government for economic and community development purposes.

The industry does have some concerns related to the drafting of the proposal. For starters, this bill would repeal all of the changes from last year that protect certain projects and remove the tax credit where it is already in effect. It's unclear why this change is necessary, and the effect it would have on good projects would be negative.

For these reasons, MBIA respectfully requests the Committee give this measure a Un Favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Budget and Taxation Committee