



# MARYLAND TECH COUNCIL

**TO:** The Honorable Guy Guzzone, Chair  
Members, Senate Budget and Taxation Committee  
The Honorable Pamela Beidle

**FROM:** Andrew G. Vetter  
Pamela Metz Kasemeyer  
J. Steven Wise  
Danna L. Kauffman  
Christine K. Krone  
410-244-7000

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**RE:** **SUPPORT** – Senate Bill 702 – *Income Tax – Biotechnology Investment Incentive Tax Credit Program – Pass-Through Entities*

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The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential, making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **support** for Senate Bill 702.

This bill allows a qualified investor that is a pass-through entity (PTE) that pays the State income tax on behalf of all PTE members to claim and allocate the Biotechnology Incentive Tax Credit (BIITC) and any associated refund among PTE members in any manner. The BIITC is a refundable tax credit for investments in qualified biotechnology companies. Maryland has a thriving life science and biotechnology industry, and the MTC has many of these companies among its membership. The MTC consistently encourages Maryland policy makers to find ways to continue to grow this industry and make Maryland one of the top states in the country for life sciences.

In order to grow and expand, early-stage companies need capital and investment. The BIITC seeks to make it more attractive for investors to invest in these early-stage companies. Often, these companies are working on potentially life-saving treatments and therapies for cancers and rare diseases. The bill broadens this incentive and makes it easier to administer. Strengthening this incentive program will lead to more investment in early-stage biotechnology companies, which will lead to greater innovation. For these reasons, we urge a **favorable** report on Senate Bill 702.