

01/15/2025

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TESTIMONY ON SB#/0091- POSITION: FAVORABLE

Economic Development - Income Tax Benefit Transfer Program – Establishment

TO: Chair Guzzone, Vice Chair Rosapepe, and members of the Budget & Taxation Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0091, Economic Development - Income Tax Benefit Transfer Program – Establishment

This bill will assist Maryland in becoming the Technology powerhouse of the American economy by establishing the Income Tax Benefit Transfer Program within the Department of Commerce to allow eligible technology companies in the State with unused amounts of net operating loss subtraction modifications will or income tax credits to transfer those tax benefits for use by other business taxpayers in the State to assist in funding expenses incurred by the eligible technology companies in connection with operations in the State. The Department of Commerce, in consultation with the Comptroller, will administer the Program.

This bill will add to the toolbox of things that Maryland can do for business funding for companies in Maryland. There is currently a selection of programs available. ¹ Everything that Maryland can do to grow business in Maryland has cascading effects on the overall state economy and what the state can do across the budget. It puts into concrete action the pledge of Governor Wes Moore “We have an obligation to use every tool at our disposal to make it easier to grow our economy”. ²

I respectfully urge this committee to return a favorable report on SB#/0091.

¹ <https://business.maryland.gov/resources/funding-programs>

² <https://governor.maryland.gov/priorities/pages/make-maryland-more-competitive.aspx>