



House Bill 1321 -- *Income Tax - Credit for Cybersecurity Measures Undertaken by Small Businesses*
House Ways and Means Committee
February 20, 2025
Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports House Bill 1321 -- *Income Tax - Credit for Cybersecurity Measures Undertaken by Small Businesses*.

House Bill 1321 creates a refundable income tax credit for cybersecurity expenses incurred by a small business to conduct or implement the recommendations of an initial cybersecurity assessment. A small business is defined as "a business conducted by an individual, a partnership, a limited partnership, a limited liability partnership, a limited liability company, or a corporation that employs 50 or fewer employees."

MCCC is supportive of incentives that specifically target lower costs for small businesses to improve their operations, including instituting cybersecurity measures. This is especially true for companies that are responsible for the privacy of data. Cybersecurity and the protection of data are ever growing risks faced by Maryland's employers who are part of the innovation economy.

In the Metro Maryland region, there are also a growing number of companies that provide cybersecurity services. Many of these members are entrepreneurial small businesses, often led by Service-Disabled Veteran-Owned Small Businesses and Veteran-Owned Small Businesses owners. These businesses would benefit economically from an incentive that makes it more affordable for other small businesses to procure cybersecurity services.

For these reasons, the Montgomery County Chamber of Commerce supports House Bill 1321 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location. Established in 1959, MCCC is an independent, non-profit membership organization.

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