



**House Bill 35 -- *Economic Development - Income Tax Benefit Transfer Program - Establishment***  
**House Ways and Means Committee**  
**January 30, 2025**  
**Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports House Bill 35 -- *Economic Development - Income Tax Benefit Transfer Program - Establishment*.

House Bill 35 establishes the Income Tax Benefit Transfer Program to allow Maryland's technology companies with unused amounts of net operating loss (NOL) subtraction modifications or research and development (R&D) tax credits to transfer those tax benefits for use by other Maryland businesses.

While larger businesses benefit from an NOL program, it is the small and innovative businesses in Maryland's economy that stand to gain the most. Allowing small businesses, who need capital for investment and job growth, to transfer unused income tax benefits and/or realize reduced income tax liabilities through purchased income tax benefits is an innovative economic development concept that should be seriously considered.

Small innovative companies have many challenges accessing critical capital resources. Allowing the ability to transfer unused tax benefits will provide a much-needed financial boost to small businesses, enabling them to invest in innovation, expand their operations, and create new jobs. This proposed program will not only support the growth of small businesses but also foster a more collaborative and resilient business ecosystem in Maryland. By allowing technology companies to transfer their unused tax benefits, we can ensure that these valuable resources are utilized effectively, promoting economic development and technological advancement across the State.

**For these reasons, the Montgomery County Chamber of Commerce supports House Bill 35 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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