



House Bill 290 -- *Income Tax - Cybersecurity Technology and Service Tax Credit - Alterations*
House Ways and Means Committee
January 29, 2026
Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports House Bill 290 -- *Income Tax - Cybersecurity Technology and Service Tax Credit - Alterations*.

House Bill 290 establishes the Buy Maryland Cybersecurity Tax Credit, providing the purpose of the credit is to promote the cybersecurity industry in the State by helping Maryland businesses and nonprofits purchase cybersecurity technologies and services from Maryland companies. The bill further alters the aggregate amount of credits that may be issued for certain cybersecurity purchases from \$200,000 to \$1,000,000 and sunsets the program on January 1, 2031.

MCCC is supportive of altering the Buy Maryland Cyber Tax Credit to make it a more effective tool for growing cybersecurity, one of the State's strategic industries. Maryland is home to an expanding number of companies providing cybersecurity services, but competition in the sector is intense. A strong, innovative incentive is essential to maintaining and growing Maryland's cybersecurity footprint and creating jobs.

In the Metro Maryland region, many cybersecurity firms are entrepreneurial small businesses, often led by Service-Disabled Veteran-Owned Small Business and Veteran-Owned Small Business owners. These businesses would benefit from an incentive that makes it more affordable for other small businesses to procure cybersecurity services.

The Buy Maryland Cybersecurity Tax Credit, approved by the General Assembly in 2018 and administered by the Department of Commerce, has been a good incentive, but the program now demands changes to meet the needs of today's cyber industry. While the tax credit reinforces that cybersecurity is a targeted industry in Maryland, its current structure limits its potential. The proposed changes to the Buy Maryland Cyber Tax Credit would increase the program's flexibility, improve its effectiveness, and expand its utilization among small businesses.

For these reasons, the Montgomery County Chamber of Commerce supports House Bill 290 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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