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**March 20, 2026**

The Honorable Jheanelle Wilkins, Chair  
House Ways & Means Committee  
130 Taylor House Office Building  
Annapolis, Maryland 21401

**RE: SUPPORT – Senate Bill 25: Income Tax - Cybersecurity Technology and Service Tax Credit - Alterations**

Dear Chair Wilkins and Members of the Committee:

On behalf of Cybersecurity Association, Inc., I am writing to express our strong support for **Senate Bill 25**, and we respectfully urge the House Ways and Means Committee to issue a favorable report.

I want to begin by thanking Senator Guzzone for his sponsorship of this bill. His continued support is vital as Maryland maintains its position as a national leader in the cybersecurity sector.

We often think of cyberattacks as "big business" problems, but for a Maryland small business or nonprofit, a single data breach can be an existential threat. These organizations handle sensitive customer data, donor information, and intellectual property, yet they often lack the massive IT budgets of global corporations. Senate Bill 25 ensures that these "Main Street" entities can afford the same high-level, proprietary protections developed right here in our state.

The bill aligns our state's security needs with our economic development goals through several key changes:

- **Empowers the Nonprofit Sector:** By making the tax credit **fully refundable**, the Bill ensures that Maryland nonprofits—who face significant cyber risks but have no income tax liability—can finally receive a cash refund to offset the costs of these critical services.
- **Removes Growth Barriers for Buyers:** The bill eliminates the previous 50-employee limit for "Qualified Buyers." This allows growing Maryland entities to qualify for the credit regardless of their staff size. **It is important to note, however, that the \$50,000 per-buyer cap remains in place.** Given the administrative requirements of finding a Qualified Seller and completing the state application, this credit is realistically sized for small-to-mid-sized entities. It is not an incentive that a mega-corporation would find worth the administrative effort, ensuring the program's benefits stay targeted where they are needed most.
- **Supports Scalable Local Sellers:** The Bill raises the revenue cap for "Qualified Sellers" from \$5 million to \$10 million. This allows our homegrown cyber firms to stay in the program longer as they scale, providing buyers with the mature, stable partners they need.
- **Maximizes Program Utility:** The Bill increases the aggregate credit cap for purchases from a single seller from \$200,000 to \$1 million. This shift ensures the program is governed by the needs of the buyers rather than restrictive individual seller caps.

This legislation recognizes that a more secure Maryland is a more prosperous Maryland. We have several Sellers with us today who can speak to how these specific changes will help them better protect our local business community.

We respectfully urge a **favorable report** on Senate Bill 25.

Sincerely,

Tasha Cornish  
Executive Director  
Cybersecurity Association, Inc.