



House Ways and Means Committee

February 19, 2026

House Bill 960 – *Corporate Income Tax – Rate Reduction (Economic Competitiveness Act of 2026)*

**POSITION: SUPPORT**

The Maryland Tech Council (MTC), with over 800 members, is the State's largest association of technology companies. Our vision is to propel Maryland to be the country's number one innovation economy for life sciences and technology. MTC brings the State's life sciences and technology communities into a single, united organization that empowers members to achieve their goals through advocacy, networking, and education. On behalf of MTC, we submit this letter of **support** for House Bill 690.

House Bill 690 reduces the corporate income tax rate from 8.25% to 6.25% by tax year 2030. The change is phased in over four tax years – 7.75% for tax year 2027; 7.25% for tax year 2028; and 6.75% for tax year 2029. It has been well documented through numerous studies that Maryland's corporate income tax rate stifles the State's business climate. Most recently, the Tax Foundation's 2023 Business Climate Index ranked Maryland's corporate tax rate 33rd in the nation. This is particularly problematic for the life sciences and technology industries where competition with surrounding States, such as Virginia (Virginia has a flat 6% corporate income tax rate), for funding, workforce, and other economic development infrastructure support places Maryland at a distinct disadvantage. A lower tax rate allows for more reinvestment in growth opportunities, supports employment expansion, and reduces both the cost of running a business and the need for equity capital. A lower tax rate will also attract new companies to locate and conduct business in Maryland. Passage of House Bill 690 provides a critical enhancement of Maryland's economic competitiveness. A favorable report is requested.

**For more information call:**

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