



*To Lead, Advocate and Connect as the Voice of Business*

## **HOUSE BILL 378: Cybersecurity Investment Incentive Tax Credit - Eligibility and Sunset Extension**

**WAYS AND MEANS COMMITTEE**

**FEBRUARY 22, 2017**

### **SUPPORT**

The Montgomery County Chamber of Commerce ("MCCC"), as the voice of Montgomery County business, **supports House Bill 378** which alters the eligibility criteria under the cybersecurity investment incentive tax credit to provide the credit to a specified qualified investor in a specified qualified Maryland cybersecurity company rather than providing the credit to the company; and extends the termination date of the credit from June 30, 2019, to June 30, 2023.

The bill addresses two issues that are critical to the ultimate success of a young start-up company. First, access to capital is a frequent concern for a company that is trying to scale and grow. Allowing qualified investors a tax credit helps to mitigate their risk in investing in young companies right at a time when the company needs the capital. Second, extending the termination date of the credit acknowledges the need for a longer time horizon when investing in young cybersecurity companies. Maryland has the opportunity to gain a competitive advantage in being home to the cybersecurity industry. This program will help solidify Maryland's place as a great state to start and grow a cybersecurity company.

For these reasons, we request a **favorable report** on House Bill 378.

The Montgomery County Chamber of Commerce (MCCC) accelerates the success of our members by advocating for increased business opportunities, strategic investment in infrastructure and balanced tax reform to advance Metro Maryland as a regional, national and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and is proud to be a Montgomery County Green Certified Business.

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