

## **MONTGOMERY COUNTY, MARYLAND BIOTECH INCENTIVES**



**White Oak**

### **Biotech Facility Development Incentives:**

#### Development Impact Tax Exemption –

- Life sciences companies constructing new facilities are exempt from the County's development tax, which is imposed on all new commercial development except for biotechnology structures. This exemption can be worth millions in savings, depending on the square footage of the facility and other development issues.

#### Systems Development Fee Exemption –

- The local water authority can waive the fee that is imposed on the sanitary/water fixtures in a new biotechnology or manufacturing project (again, biotech is the one industry that enjoys this exemption) in an amount up to \$50,000/year/per project.

#### Life Sciences Center Zone Development Bonus –

- In the County's Life Sciences Center zones, the square footage of space in a new project used exclusively for mechanical equipment is excluded from the project's maximum density calculation, thus practically speaking, allowing a project to be built bigger than what is allowed by right.

### **Biotech Financial Incentives:**

In addition to the State's Maryland Economic Development Assistance Authority and Fund (MEDAAF) and Montgomery County's Economic Development Fund, both of which provide financial incentives for business relocation and expansion, the following incentives are available to biotech companies and institutions:

#### Maryland and Montgomery County Biotechnology Investment Incentive Tax Credit –

- Provides an investor with income tax credits equal to 50% of an eligible investment in a qualified Maryland Biotechnology Company, for up to \$250,000 per fiscal year. Investors making qualified investments in biotech companies in Montgomery County, Maryland, are also eligible to receive a payment from the County's Biotech Investor Supplemental Program that is in proportion to the Maryland biotech tax credit that the investor receives. This program supports investment in seed and early stage biotech companies in order to promote and grow the biotech industry in Maryland.

#### Research and Development Tax Credit (R&D) --

- Businesses that have qualified research and development expenditures in Maryland may qualify for two state income tax credits, the Basic Research and Development Tax Credit and the Growth Research and Development Tax Credit.

#### New Jobs Tax Credit –

- Promotes job and construction growth through a six-year tax credit that is available to businesses that increase their space in the State/County by at least 5,000 square feet and their employee count by at least 25 new jobs.

#### Montgomery County MOVE Program –

- Designed to assist small businesses who are locating in Montgomery County – those taking up to 10,000 square feet of space -- this one-time incentive of \$8/square foot is available to businesses new to the County or creating their first office space in the County. Easy-in/easy-out application and process.