

STATE STREAMLINES APPLICATION PROCESS FOR BIOTECH TAX CREDIT PROGRAM

BALTIMORE, MD (May 25, 2010) – Working in collaboration with the biotechnology industry for a more efficient and streamlined process, the Maryland Department of Business and Economic Development (DBED) announced today that applications for the Maryland Biotechnology Investment Incentive Tax Credit will be accepted electronically this year on a first-come, first-served basis. The new application process will eliminate the need for investors and biotechnology firms to line up in advance, as they have done in past years, to claim a portion of the credit’s available funds. For FY 2011, funding for the credit has been increased to \$8 million, up from \$6 million.

“We worked in partnership with Maryland’s biotechnology community to develop an efficient and equitable way to accept applications for the Biotech Tax Credit program this year,” said DBED Secretary Christian S. Johansson. “With the growing popularity of the program, we wanted to ensure that all companies and investors had an equal chance to apply for part of the \$8 million in credits available.”

The Maryland Biotechnology Investment Incentive Tax Credit program, which provides tax credits to promote private investment in qualified Maryland biotechnology companies, is a critical element of Governor O’Malley’s Bio2020 initiative. Since it was first funded in FY 2007, the program has issued \$24 million in tax credits, assisting more than 40 Maryland biotechnology companies and leveraging more than \$50 million in private investment.

Investors and companies planning to apply for the credit on July 1 must submit supporting documentation and investor forms between June 1 and June 25 to the Maryland Biotechnology Center’s offices at the World Trade Center in Baltimore (401 E. Pratt Street, 7th floor). Applications will be accepted beginning 9 a.m. July 1. The order of applications will be determined solely by electronic submission and will be taken in order according to the time submitted. For details, visit www.marylandbiocenter.org

“Investments as a result of this tax credit have become a lifeline for Maryland biotechnology companies and have helped to leverage millions in private sector, venture and federal funding for these companies,” said Dr. Judith Britz, Executive Director of the Maryland Biotechnology Center. “The technologies the tax credit has been able to support include drugs for the treatment of tuberculosis, cancer therapies and devices to treat tumors, personalized diagnostics, anti-inflammatory drugs, and biofuels.”

“The \$2 million increase in the biotech tax credit program reflects the confidence the legislature has in the growth of the biotechnology industry in Maryland and the important role the program will likely play in helping to foster that growth,” said Maryland Delegate Brian Feldman, who crafted the legislation that created the credit.

“The biotechnology community welcomes the electronic submission process,” said Karen Olson, CEO of BioMarker Strategies, Inc., a Baltimore-based biotechnology firm that has received investments from the program. “The electronic process will allow more companies to share in the benefits of this extraordinarily valuable program offered by the State.”

To qualify, companies are required to: be less than 12 years old; have their headquarters in Maryland; employ fewer than 50 people, and have a valid certification from the Department of Business and Economic Development. Investors are required to submit applications prior to making an investment. DBED reviews the applications and issues initial credit certifications within 30 calendar days. For more information on the program, visit www.marylandbiocenter.org.

ABOUT DBED

The Maryland Department of Business and Economic Development stimulates private investment and creates jobs by attracting new businesses, encouraging the expansion and retention of existing companies, and providing workforce training and financial assistance to Maryland companies. The Department promotes the State's many economic advantages and markets local products and services at home and abroad to spur economic development and international investment, trade and tourism. For more information, visit www.choosemaryland.org.

ABOUT THE MARYLAND BIOTECHNOLOGY CENTER

The Maryland Biotechnology Center (MBC), part of the Maryland Department of Business and Economic Development, is a newly created organization by Governor Martin O'Malley and the Maryland Life Sciences Advisory Board. The MBC is a portal to resources and coordinated programs of entrepreneur and biotechnology infrastructure development, workforce training, connection to federal facilities, and marketing Maryland's bioscience community. For more information, visit www.marylandbiocenter.org.