

(PRE-FILED)

By: **Chairman, Budget and Taxation Committee (Departmental - Housing and Community Dev.)**

Requested: October 6, 1997

Introduced and read first time: January 14, 1998

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 3, 1998

CHAPTER _____

1 AN ACT concerning

2 **Housing and Community Development - Neighborhood and Community**
3 **Assistance Program - Definition of Business Entities**

4 FOR the purpose of altering the eligibility for certain tax credits under the
5 Neighborhood and Community Assistance Program to include individual
6 proprietorships, partnerships, and other business entities in addition to
7 corporations; and generally relating to the Neighborhood and Community
8 Assistance Program and the Department of Housing and Community
9 Development.

10 BY repealing and reenacting, without amendments,
11 Article 83B - Department of Housing and Community Development
12 Section 4-701(a)
13 Annotated Code of Maryland
14 (1995 Replacement Volume and 1997 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article 83B - Department of Housing and Community Development
17 Section 4-701(c)
18 Annotated Code of Maryland
19 (1995 Replacement Volume and 1997 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article - Tax - General

1 Section 10-704.6
2 Annotated Code of Maryland
3 (1988 Volume and 1997 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article 83B - Department of Housing and Community Development**

7 4-701.

8 (a) In this subtitle the following words have the meanings indicated.

9 (c) "Business entity" means a person that:

10 (1) Conducts or operates a trade or business in the State; and

11 (2) Is subject to:

12 (i) The State income tax on INDIVIDUALS OR corporations;

13 (ii) The financial institution franchise tax;

14 (iii) The public service company franchise tax; or

15 (iv) The insurance premiums tax.

16 **Article - Tax - General**

17 10-704.6.

18 [A] AN INDIVIDUAL OR A corporation may claim a credit against the STATE
19 income tax for neighborhood and community assistance contributions as provided
20 under Article 83B, § 4-704 of the Code.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
22 effect July 1, 1998.