

Article - Economic Development

§6-304.

(a) (1) A qualified business entity may claim a tax credit in the amount determined under this section.

(2) A qualified business entity shall submit to the appropriate State units, with the tax return on which the credit is claimed, certification from the Department that the business entity has met the requirements of this subtitle and is eligible for the credit.

(b) (1) Except as provided in this section, the credit earned under this section:

(i) for qualified employees working in a facility not located in a revitalization area, is the lesser of:

1. \$1,000 multiplied by the number of qualified employees employed by the qualified business entity during the credit year; and

2. 2.5% of the wages paid by the qualified business entity during the credit year to the qualified employees; and

(ii) for qualified employees working in a facility located in a revitalization area, is the lesser of:

1. \$1,500 multiplied by the number of qualified employees employed by the qualified business entity during the credit year; and

2. 5% of the wages paid by the qualified business entity during the credit year to the qualified employees.

(2) The credit earned by a qualified business entity under this subtitle may not exceed \$1,000,000 for any credit year.

(c) (1) The credit earned under subsection (b) of this section shall be taken over a 2-year period, with one-half of the credit amount allowed each year beginning with the credit year.

(2) The same credit cannot be applied more than once against different taxes by the same taxpayer.

(3) If the credit allowed under this subtitle exceeds the total tax otherwise due from a qualified business entity in a taxable year, the qualified business entity may apply the excess as a credit for succeeding taxable years until the earlier of:

(i) the full amount of the excess is used; or

(ii) the expiration of the 5th taxable year from the credit year.

(4) The credit under this subtitle may not be carried back to a preceding taxable year.