

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL NO. 262
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute:

“Jobs Creation Tax Credit Act of 1996”.

On pages 1 and 2, strike in their entirety the lines beginning with line 3 on page 1, through line 2 on page 2, inclusive, and substitute:

“FOR the purpose of allowing a credit against the State income tax, financial institution franchise tax, public service company franchise tax, and insurance premiums tax for the establishment or expansion of a major business facility in the State under certain circumstances; providing for calculation of the credit based on the number of new jobs created as a result of the establishment or expansion of the major business facility; limiting the credit allowed in any taxable year to the total tax otherwise payable for that taxable year; providing for the carry forward of unused credit; providing for recapture of the credit under certain circumstances; requiring the Comptroller to adopt certain regulations; requiring the Department of Business and Economic Development to adopt certain regulations; requiring certain reports; disallowing certain positions that are filled by individuals qualifying for a certain other tax credit from qualifying for the credit; providing for the termination of the credit of a certain date; providing for the future codification of part of this Act; providing that the provisions of this Act are not severable; defining certain terms; and generally relating to a credit against the State income tax, financial institution franchise tax, public service company franchise tax, and insurance premiums tax for the establishment or expansion of a major business facility in the State.”.

On page 2, in line 5, strike “5-1103” and substitute “5-1107”.

(Over)

On pages 2 and 3, strike in their entirety the lines beginning with line 25 on page 2 through line 6 on page 3, inclusive, and substitute:

“BY repealing and reenacting, with amendments,

Article 83A - Department of Business and Economic Development

Section 5-1104(d)

Annotated Code of Maryland

(1995 Replacement Volume)

(As enacted by Section 1 of this Act)”.

AMENDMENT NO. 2

On page 3, strike in their entirety lines 14 through 19, and substitute:

“(B) “BUSINESS ENTITY” MEANS A PERSON CONDUCTING A TRADE OR BUSINESS IN THE STATE.

(C) “CREDIT YEAR” MEANS THE FIRST TAXABLE YEAR FOLLOWING THE TAXABLE YEAR IN WHICH A MAJOR BUSINESS FACILITY COMMENCED OR EXPANDED OPERATIONS. “;

and in line 20, strike “(C)” and substitute “(D)”.

On pages 3 through 14, strike in their entirety the lines beginning with line 25 on page 3 through line 18 on page 14, inclusive, and substitute:

“(E) “MAJOR BUSINESS FACILITY” INCLUDES ANY FACILITY OF AN ENTERPRISE AT WHICH THE ENTERPRISE ENGAGES IN ANY OF THE FOLLOWING BUSINESSES OR OPERATIONS:

(1) MANUFACTURING OR MINING;

(2) TRANSPORTATION;

(3) COMMUNICATIONS;

(4) BIOTECHNOLOGY;

(5) RESEARCH, DEVELOPMENT, AND TESTING;

(6) COMPUTER PROGRAMMING, DATA PROCESSING, AND OTHER COMPUTER RELATED SERVICES;

(7) FINANCIAL, INSURANCE, OR REAL ESTATE SERVICES;

(8) WAREHOUSING;

(9) CENTRAL ADMINISTRATIVE OFFICES OR COMPANY HEADQUARTERS;

(10) AGRICULTURE, FORESTRY, AND FISHING; OR

(11) PUBLIC UTILITIES.

(F) (1) "NEW PERMANENT FULL-TIME POSITION" MEANS:

(I) A JOB OF AN INDEFINITE DURATION THAT:

1. IS CREATED BY THE COMPANY AS A RESULT OF THE ESTABLISHMENT OR EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE;
AND

2. REQUIRES A MINIMUM OF 35 HOURS OF AN EMPLOYEE'S TIME PER WEEK FOR THE ENTIRE NORMAL YEAR OF THE COMPANY'S OPERATIONS, WHICH "NORMAL YEAR" CONSISTS OF AT LEAST 48 WEEKS; OR

(II) A POSITION OF INDEFINITE DURATION THAT REQUIRES A MINIMUM OF 35 HOURS OF AN EMPLOYEE'S TIME PER WEEK FOR THE PORTION OF THE TAXABLE YEAR IN WHICH THE EMPLOYEE WAS INITIALLY HIRED FOR, OR TRANSFERRED TO, THE MAJOR BUSINESS FACILITY IN THE STATE.

(2) "NEW PERMANENT FULL-TIME POSITION" DOES NOT INCLUDE A POSITION THAT IS:

(I) A SEASONAL OR TEMPORARY POSITION;

(Over)

(II) CREATED WHEN AN EMPLOYMENT FUNCTION IS SHIFTED FROM AN EXISTING BUSINESS FACILITY OF THE BUSINESS ENTITY LOCATED IN MARYLAND TO ANOTHER BUSINESS FACILITY OF THE SAME BUSINESS ENTITY WITH SUBSTANTIALLY THE SAME OWNERSHIP;

(III) CREATED THROUGH A CONSOLIDATION, MERGER, OR RESTRUCTURING OF A BUSINESS ENTITY AND THE POSITION DOES NOT REPRESENT A NET NEW JOB IN THE STATE; OR

(IV) CREATED WHEN AN EMPLOYMENT FUNCTION IS CONTRACTUALLY SHIFTED FROM AN EXISTING BUSINESS ENTITY LOCATED IN THE STATE TO ANOTHER BUSINESS ENTITY, AND THE POSITION DOES NOT REPRESENT A NET NEW JOB IN THE STATE.

(G) "QUALIFIED BUSINESS ENTITY" MEANS A BUSINESS ENTITY THAT THE DEPARTMENT HAS CERTIFIED AS HAVING ESTABLISHED OR EXPANDED A MAJOR BUSINESS FACILITY IN THE STATE RESULTING IN:

(1) THE CREATION OF AT LEAST THE THRESHOLD NUMBER OF JOBS FOR QUALIFIED FULL-TIME EMPLOYEES IN ACCORDANCE WITH § 5-1102 OF THIS SUBTITLE; OR

(2) THE CREATION OF NEW JOBS FOR QUALIFIED FULL-TIME EMPLOYEES WITH AN AGGREGATE PAYROLL GREATER THAN A THRESHOLD AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE THRESHOLD NUMBER OF JOBS UNDER § 5-1102 OF THIS SUBTITLE TIMES THE STATE'S AVERAGE ANNUAL SALARY, AS DETERMINED BY THE DEPARTMENT.

(H) "QUALIFIED FULL-TIME EMPLOYEE" MEANS AN EMPLOYEE WHO IS A MARYLAND RESIDENT ON THE LAST DAY OF THE CALENDAR YEAR FILLING A NEW PERMANENT FULL-TIME POSITION IN A MAJOR BUSINESS FACILITY IN THE STATE.

(A) (1) THE DEPARTMENT SHALL CERTIFY A BUSINESS ENTITY AS QUALIFYING FOR THE TAX CREDIT PROVIDED UNDER THIS SUBTITLE IF THE BUSINESS ENTITY SATISFIES THE CRITERIA SET FORTH IN THIS SECTION.

(2) IF THE DEPARTMENT CERTIFIES A BUSINESS ENTITY AS A QUALIFYING BUSINESS ENTITY, THE DEPARTMENT SHALL CERTIFY THE DATE ON WHICH THE NEWLY ESTABLISHED OR EXPANDED FACILITY OF THE BUSINESS ENTITY COMMENCED OR EXPANDED OPERATIONS.

(B) TO QUALIFY FOR THE TAX CREDIT PROVIDED UNDER THIS SUBTITLE, A BUSINESS ENTITY SHALL ESTABLISH OR EXPAND A MAJOR BUSINESS FACILITY IN THE STATE THAT RESULTS IN:

(1) THE CREATION OF AT LEAST 60 JOBS FOR QUALIFIED FULL-TIME EMPLOYEES DURING ANY 24-MONTH PERIOD; OR

(2) THE CREATION OF AT LEAST 30 NEW JOBS FOR QUALIFIED FULL-TIME EMPLOYEES IF THE AGGREGATE PAYROLL FOR THE NEW JOBS IS GREATER THAN A THRESHOLD AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING 60 TIMES THE STATE'S AVERAGE ANNUAL SALARY, AS DETERMINED BY THE DEPARTMENT.

(C) (1) A BUSINESS ENTITY IS NOT ELIGIBLE FOR THE TAX CREDIT UNDER THIS SUBTITLE UNLESS THE BUSINESS ENTITY IS ENGAGED IN ONE OR MORE OF THE FOLLOWING BUSINESSES OR OPERATIONS AT THE NEWLY ESTABLISHED OR EXPANDED FACILITY:

(I) MANUFACTURING OR MINING;

(II) TRANSPORTATION;

(III) COMMUNICATIONS;

(Over)

(IV) BIOTECHNOLOGY;

(V) RESEARCH, DEVELOPMENT, AND TESTING;

(VI) COMPUTER PROGRAMMING, DATA PROCESSING, AND OTHER
COMPUTER RELATED SERVICES;

(VII) FINANCIAL, INSURANCE, OR REAL ESTATE SERVICES;

(VIII) WAREHOUSING;

(IX) CENTRAL ADMINISTRATIVE OFFICES OR COMPANY
HEADQUARTERS;

(X) AGRICULTURE, FORESTRY, OR FISHING; OR

(XI) PUBLIC UTILITIES.

(2) THE TERMS USED IN THIS SUBSECTION TO REFER TO VARIOUS TYPES
OF BUSINESSES HAVE THE SAME MEANINGS AS THOSE TERMS ARE COMMONLY
DEFINED IN THE STANDARD INDUSTRIAL CLASSIFICATION MANUAL.

5-1103.

(A) (1) A QUALIFIED BUSINESS ENTITY MAY CLAIM A TAX CREDIT IN THE
AMOUNT DETERMINED UNDER THIS SECTION FOR THE ESTABLISHMENT OR
EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE.

(2) THE SAME TAX CREDIT MAY NOT BE APPLIED MORE THAN ONCE
AGAINST DIFFERENT TAXES BY THE SAME TAXPAYER.

(B) (1) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, FOR ANY
QUALIFIED BUSINESS ENTITY, THE CREDIT EARNED UNDER THIS SECTION EQUALS
\$1,000 FOR EACH QUALIFIED FULL-TIME EMPLOYEE EMPLOYED DURING THE CREDIT

YEAR.

(II) THE CREDIT EARNED UNDER THIS SECTION EQUALS \$1,500 FOR EACH QUALIFIED FULL-TIME EMPLOYEE EMPLOYED DURING THE CREDIT YEAR IF THE MAJOR BUSINESS FACILITY IS LOCATED IN:

1. AN AREA DESIGNATED AS AN ENTERPRISE ZONE BY THE SECRETARY UNDER § 5-402 OF THIS TITLE OR BY THE UNITED STATES GOVERNMENT;

2. AN AREA DESIGNATED AS AN EMPOWERMENT ZONE BY THE UNITED STATES GOVERNMENT PURSUANT TO 26 U.S.C. § 1391 ET SEQ.; OR

3. AN AREA DESIGNATED AS AN ELIGIBLE NEIGHBORHOOD FOR ECONOMIC REVITALIZATION ASSISTANCE UNDER ARTICLE 83B, § 2-1303 OF THE CODE.

(III) FOR EACH QUALIFIED FULL-TIME EMPLOYEE EMPLOYED DURING THE CREDIT YEAR WHO MEETS THE DEFINITION OF A DISABLED INDIVIDUAL UNDER § 21-401 OF THE EDUCATION ARTICLE, THE CREDIT EARNED UNDER THIS SECTION IS \$1,500 INSTEAD OF \$1,000.

(2) THE CREDIT EARNED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE ALLOWED RATABLY, WITH ONE-THIRD OF THE CREDIT AMOUNT ALLOWED ANNUALLY FOR 3 YEARS BEGINNING WITH THE CREDIT YEAR.

(3) THE PORTION OF THE CREDIT EARNED WITH RESPECT TO ANY QUALIFIED FULL-TIME EMPLOYEE WHO IS EMPLOYED IN THE STATE FOR LESS THAN 12 FULL MONTHS DURING THE CREDIT YEAR SHALL BE DETERMINED BY MULTIPLYING THE CREDIT AMOUNT BY A FRACTION:

(I) THE NUMERATOR OF WHICH IS THE NUMBER OF FULL MONTHS THAT THE QUALIFIED FULL-TIME EMPLOYEE WORKED FOR THE QUALIFIED COMPANY IN THE STATE DURING THE CREDIT YEAR; AND

(Over)

(II) THE DENOMINATOR OF WHICH IS 12.

(4) EACH DISTINCT MAJOR BUSINESS FACILITY OF A SINGLE TAXPAYER SHALL HAVE A SEPARATE CREDIT YEAR AND 3-YEAR ALLOWANCE PERIOD.

(5) A BUSINESS ENTITY MAY NOT EARN MORE THAN \$1,000,000 IN CREDITS UNDER THIS SECTION FOR ANY CREDIT YEAR.

(C) (1) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE BUSINESS ENTITY FOR THAT TAXABLE YEAR, A BUSINESS ENTITY MAY APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING YEARS UNTIL THE EARLIER OF:

(I) THE FULL AMOUNT OF THE EXCESS IS USED; OR

(II) THE EXPIRATION OF THE TENTH TAXABLE YEAR AFTER THE CREDIT YEAR.

(2) IF A TAXPAYER IS ALLOWED ANOTHER CREDIT AGAINST A TAX AGAINST WHICH THE CREDIT UNDER THIS SECTION IS ALLOWED OR HAS A CREDIT CARRYOVER FROM A PRECEDING TAXABLE YEAR, THE TAXPAYER SHALL USE ANY CREDIT THAT DOES NOT HAVE A CARRYOVER PROVISION, AND THEN ANY CREDIT THAT IS CARRIED FORWARD FROM A PRECEDING TAXABLE YEAR, BEFORE USING ANY CREDIT ALLOWED UNDER THIS SECTION.

(D) (1) IN THIS SUBSECTION, "RELATED PARTY" MEANS:

(I) A RELATED PERSON WITHIN THE MEANING OF § 267(B) OF THE INTERNAL REVENUE CODE; OR

(II) A TRADE OR BUSINESS UNDER COMMON CONTROL WITHIN THE MEANING OF § 52(B) OF THE INTERNAL REVENUE CODE.

(2) A BUSINESS ENTITY MAY NOT CLAIM THE CREDIT UNDER THIS

SECTION FOR ANY EMPLOYEE:

(I) FOR WHICH A CREDIT UNDER THIS SECTION WAS PREVIOUSLY EARNED BY A RELATED PARTY;

(II) WHO WAS PREVIOUSLY EMPLOYED IN THE SAME JOB FUNCTION IN MARYLAND BY A RELATED PARTY;

(III) WHOSE JOB FUNCTION WAS PREVIOUSLY PERFORMED AT A DIFFERENT LOCATION IN MARYLAND BY AN EMPLOYEE OF THE BUSINESS ENTITY OR A RELATED PARTY; OR

(IV) WHOSE JOB FUNCTION PREVIOUSLY QUALIFIED FOR A CREDIT UNDER THIS SECTION AT A DIFFERENT MAJOR BUSINESS FACILITY OF THE BUSINESS ENTITY OR A RELATED PARTY.

(E) (1) FOR ANY OF THE 3 TAXABLE YEARS SUCCEEDING THE TAXABLE YEAR IN WHICH THE MAJOR BUSINESS FACILITY COMMENCED OR EXPANDED OPERATIONS, SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF THE AVERAGE NUMBER OF QUALIFIED FULL-TIME EMPLOYEES AT A MAJOR BUSINESS FACILITY FOR WHICH THE CREDIT UNDER THIS SECTION HAS BEEN EARNED FALLS MORE THAN 5% BELOW THE AVERAGE NUMBER OF QUALIFIED POSITIONS CREATED DURING THE CREDIT YEAR ON WHICH THE CREDIT WAS COMPUTED, ALL CREDITS EARNED WITH RESPECT TO THE MAJOR BUSINESS FACILITY SHALL BE RECAPTURED.

(2) FOR A BUSINESS ENTITY THAT QUALIFIED FOR THE CREDIT BASED ON THE CREATION OF NEW JOBS WITH AN AGGREGATE PAYROLL GREATER THAN THE THRESHOLD PAYROLL AS DETERMINED BY THE DEPARTMENT, FOR ANY OF THE 3 TAXABLE YEARS SUCCEEDING THE TAXABLE YEAR IN WHICH THE MAJOR BUSINESS FACILITY COMMENCED OR EXPANDED OPERATIONS, IF THE AVERAGE PAYROLL FOR QUALIFIED FULL-TIME EMPLOYEES AT THE MAJOR BUSINESS FACILITY FOR WHICH THE CREDIT WAS EARNED FALLS MORE THAN 5% BELOW THE

(Over)

THRESHOLD PAYROLL ON WHICH THE CREDIT WAS BASED, ALL CREDITS EARNED WITH RESPECT TO THE MAJOR BUSINESS FACILITY SHALL BE RECAPTURED.

(F) (1) IN ORDER TO RECEIVE CERTIFICATION THAT A BUSINESS ENTITY IS ELIGIBLE TO RECEIVE THE TAX CREDIT PROVIDED UNDER THIS SUBTITLE, A BUSINESS ENTITY SHALL SUBMIT THE FOLLOWING TO THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE DEPARTMENT:

(I) THE EFFECTIVE DATE OF THE START-UP OR EXPANSION;

(II) THE NUMBER OF FULL-TIME EMPLOYEES PRIOR TO THE START-UP OR EXPANSION AND THE PAYROLL OF THE EXISTING EMPLOYEES;

(III) THE NUMBER OF QUALIFIED POSITIONS CREATED, QUALIFIED FULL-TIME EMPLOYEES HIRED, AND THE PAYROLL OF THOSE EMPLOYEES; AND

(IV) ANY OTHER INFORMATION THAT THE DEPARTMENT REQUIRES BY REGULATION.

(2) THE DEPARTMENT MAY REQUIRE ANY INFORMATION REQUIRED UNDER THIS SUBSECTION TO BE VERIFIED BY AN INDEPENDENT AUDITOR SELECTED BY THE BUSINESS ENTITY.

5-1104.

(A) THE COMPTROLLER SHALL ADOPT REGULATIONS TO PROVIDE FOR THE COMPUTATION, CARRYOVER, AND RECAPTURE OF THE CREDIT UNDER § 10-704.4 OF THE TAX - GENERAL ARTICLE.

(B) THE SECRETARY OF THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT SHALL ADOPT REGULATIONS TO DEFINE CRITERIA FOR:

(1) A MAJOR BUSINESS FACILITY;

(2) QUALIFYING JOBS FOR A MAJOR BUSINESS FACILITY; AND

(3) ECONOMICALLY DISTRESSED AREAS.

(C) THE DEPARTMENT OF ASSESSMENTS AND TAXATION SHALL ADOPT REGULATIONS TO PROVIDE FOR THE COMPUTATION, CARRYOVER, AND RECAPTURE OF THE CREDIT UNDER §§ 8-214 AND 8-411 OF THE TAX - GENERAL ARTICLE.

(D) THE MARYLAND INSURANCE COMMISSIONER SHALL ADOPT REGULATIONS TO PROVIDE FOR THE COMPUTATION, CARRYOVER, AND RECAPTURE OF THE CREDIT UNDER ARTICLE 48A, § 632 OF THE CODE.

5-1105.

THE PROVISIONS OF THIS SUBTITLE SHALL APPLY ONLY IN INSTANCES WHERE AN ANNOUNCEMENT OF INTENT TO ESTABLISH OR EXPAND A MAJOR BUSINESS FACILITY IS MADE ON OR AFTER JANUARY 1, 1996.

5-1106.

(A) SUBJECT TO THE PROVISIONS OF THIS SECTION, THE PROVISIONS OF THIS SUBTITLE AND THE TAX CREDIT AUTHORIZED UNDER THIS SUBTITLE SHALL TERMINATE AS OF JANUARY 1, 2002.

(B) (1) THE TAX CREDITS AUTHORIZED UNDER THIS SUBTITLE:

(I) MAY BE CLAIMED ONLY FOR A NEWLY ESTABLISHED OR EXPANDED FACILITY THAT COMMENCES OPERATIONS BEFORE JANUARY 1, 2001; AND

(II) MAY NOT BE EARNED FOR ANY CREDIT YEAR BEGINNING ON OR AFTER JANUARY 1, 2002.

(Over)

(2) SUBJECT TO THE LIMITATIONS UNDER THIS SUBTITLE, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY 1, 2002, TAX CREDITS EARNED IN CREDIT YEARS BEGINNING BEFORE JANUARY 1, 2002:

(I) MAY BE ALLOWED RATABLY OVER A 3-YEAR PERIOD AS PROVIDED IN § 5-1103 OF THIS SUBTITLE;

(II) MAY BE CARRIED FORWARD AS PROVIDED IN § 5-1103 OF THIS SUBTITLE; AND

(III) ARE SUBJECT TO RECAPTURE AS PROVIDED IN § 5-1103 OF THIS SUBTITLE.

5-1107.

THE DEPARTMENT SHALL REPORT TO THE GOVERNOR, THE SENATE BUDGET AND TAXATION COMMITTEE, AND THE HOUSE COMMITTEE ON WAYS AND MEANS BY DECEMBER 1 EACH YEAR THE BUSINESS ENTITIES CERTIFIED AS ELIGIBLE FOR TAX CREDITS UNDER THIS SUBTITLE IN THE PRECEDING FISCAL YEAR.

Article - Tax - General

8-214.

A FINANCIAL INSTITUTION MAY CLAIM A CREDIT AGAINST THE FINANCIAL INSTITUTION FRANCHISE TAX FOR THE ESTABLISHMENT OR EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE AS PROVIDED UNDER ARTICLE 83A, § 5-1103 OF THE CODE.

8-411.

A PUBLIC SERVICE COMPANY MAY CLAIM A CREDIT AGAINST THE PUBLIC SERVICE COMPANY FRANCHISE TAX FOR THE ESTABLISHMENT OR EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE AS PROVIDED UNDER ARTICLE 83A, § 5-

1103 OF THE CODE.

10-704.4.

AN INDIVIDUAL OR CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR THE ESTABLISHMENT OR EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE AS PROVIDED UNDER ARTICLE 83A, § 5-1103 OF THE CODE.

Article 48A - Insurance Code

632.

(E) AN INSURER MAY CLAIM A CREDIT AGAINST THE PREMIUM TAX FOR THE ESTABLISHMENT OR EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE AS PROVIDED UNDER ARTICLE 83A, § 5-1103 OF THE CODE.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article 83A - Department of Business and Economic Development

5-1104.

(d) The Maryland Insurance Commissioner shall adopt regulations to provide for the computation, carryover, and recapture of the credit under [Article 48A, § 632 of the Code] § 6-114 OF THE INSURANCE ARTICLE.

Article - Insurance

6-114.

AN INSURER MAY CLAIM A CREDIT AGAINST THE PREMIUM TAX FOR THE ESTABLISHMENT OR EXPANSION OF A MAJOR BUSINESS FACILITY IN THE STATE AS

(Over)

PROVIDED UNDER ARTICLE 83A, § 5-1103 OF THE CODE.

SECTION 3. AND BE IT FURTHER ENACTED, That, the Department of Business and Economic Development shall conduct a study to evaluate the impact of the availability of the tax credit authorized by this Act has had on the State's ability to attract new business facilities to the State, and to encourage expansion of existing business facilities to the State. The Department shall include in its study an estimate of the impact that the tax credit has had on employment levels in the State, an estimate of the amount of reduced tax revenues resulting from the tax credits granted, and an analysis of the types of employers qualifying for the credit. The Department shall report its findings to the Senate Budget and Taxation Committee and the House Committee on Ways and Means by January 1, 2000.

SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of Article 1, § 23 of the Annotated Code of Maryland, the provisions of this Act are not severable, and if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, no other provision or application of this Act may be given effect.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 1997.

SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section 5 of this Act, this Act shall take effect July 1, 1996.”.