

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 421

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, strike "Income"; in line 4, strike "the State income tax" and substitute "certain taxes"; in line 15, after "Section" insert "8-220 and"; and after line 12, insert:

"BY adding to

Article 83A - Department of Business and Economic Development

Section 5-1301 to be under the new subtitle "Subtitle 13. One Maryland Economic
Development Tax Credits"

Annotated Code of Maryland
(1998 Replacement Volume)

BY adding to

Article - Insurance

Section 6-119

Annotated Code of Maryland
(1997 Volume and 1998 Supplement)".

AMENDMENT NO. 2

On page 1, strike in their entirety lines 20 and 21, inclusive, and substitute:

"Article 83A - Department of Business and Economic Development

SUBTITLE 13. ONE MARYLAND ECONOMIC DEVELOPMENT TAX CREDITS.

5-1301."

AMENDMENT NO. 3

(Over)

On page 3, in line 11, after “FACILITY” insert “THAT:”

1. IS LOCATED”;

and in line 12, after “STATE” insert “; AND

2. IS LOCATED WITHIN A PRIORITY FUNDING AREA UNDER § 5-7B-02 OF THE STATE FINANCE AND PROCUREMENT ARTICLE OR IS ELIGIBLE FOR FUNDING OUTSIDE OF A PRIORITY FUNDING AREA UNDER § 5-7B-05 OR § 5-7B-06 OF THE STATE FINANCE AND PROCUREMENT ARTICLE”.

AMENDMENT NO. 4

On page 4, in line 4, after “WHICH” insert “;

(I)”;

and in line 7, after “PERIOD” insert “; OR

(II) THE AVERAGE PER CAPITA PERSONAL INCOME FOR THE MOST RECENT 24-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE IS EQUAL TO OR LESS THAN 67% OF THE AVERAGE PERSONAL PER CAPITA INCOME FOR THE ENTIRE STATE DURING THAT SAME PERIOD”.

AMENDMENT NO. 5

On page 5, in line 12, after the second “A” insert “TAX”; in line 13, strike “AGAINST THE STATE INCOME TAX”; and in lines 22, 25, 28, and 30, in each instance, strike “INCOME”.

On page 6, in lines 12, 14, and 20, in each instance, after “COMPTROLLER” insert “OR THE DEPARTMENT”; and strike in their entirety lines 21 through 34, inclusive, and substitute:

“(4) IF THE PROJECT COSTS FOR THE ELIGIBLE ECONOMIC DEVELOPMENT PROJECT EXCEEDS THE STATE TAX ON THE BUSINESS ENTITY’S INCOME GENERATED BY OR ARISING OUT OF THE PROJECT FOR THE TAXABLE YEAR IN WHICH THE PROJECT IS PLACED IN SERVICE, THE QUALIFIED BUSINESS ENTITY MAY APPLY ANY EXCESS AS A CREDIT AGAINST THE STATE TAX FOR SUCCEEDING TAXABLE YEARS ON THE BUSINESS ENTITY’S INCOME GENERATED BY OR ARISING OUT OF THE PROJECT UNTIL THE EARLIER OF:

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

(II) THE EXPIRATION OF THE 14TH TAXABLE YEAR FOLLOWING THE TAXABLE YEAR IN WHICH THE PROJECT IS PLACED IN SERVICE.”.

AMENDMENT NO. 6

On page 6, in line 36, after “A” insert “TAX”; and strike beginning with “AS” in line 37 down through “TITLE” in line 42.

On page 7, strike in their entirety lines 10 and 11, inclusive, and substitute:

“(3) IF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR THE TAXABLE YEAR IN WHICH A QUALIFIED BUSINESS ENTITY LOCATES IN A QUALIFIED DISTRESSED COUNTY EXCEEDS THE TOTAL TAX OTHERWISE DUE FROM THE QUALIFIED BUSINESS ENTITY FOR THAT 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 14TH TAXABLE YEAR FOLLOWING THE TAXABLE YEAR IN WHICH THE QUALIFIED BUSINESS ENTITY LOCATES IN A QUALIFIED DISTRESSED COUNTY.”.

AMENDMENT NO. 7

On page 7, after line 31, insert:

“Article - Insurance

6-119.

AN INSURER MAY CLAIM A CREDIT AGAINST THE PREMIUM TAX FOR ONE MARYLAND START-UP COSTS AS PROVIDED UNDER ARTICLE 83A, § 5-1301(C) OF

(Over)

THE CODE.

Article - Tax - General

8-220.

A FINANCIAL INSTITUTION MAY CLAIM A CREDIT AGAINST THE FINANCIAL INSTITUTION FRANCHISE TAX FOR ONE MARYLAND PROJECT COSTS AND START-UP COSTS AS PROVIDED UNDER ARTICLE 83A, § 5-1301(B) AND (C) OF THE CODE.

10-712.

AN INDIVIDUAL OR CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR ONE MARYLAND PROJECT COSTS AND START-UP COSTS AS PROVIDED UNDER ARTICLE 83A, § 5-1301(B) AND (C) OF THE CODE.”.