

HOUSE BILL 721

C8

8lr0032

By: **Chair, Ways and Means Committee (By Request - Departmental - Business and Economic Development)**

Introduced and read first time: February 4, 2008

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 16, 2008

CHAPTER _____

1 AN ACT concerning

2 **Job Creation Tax Credit - ~~Repeal~~ of Termination Provisions**

3 FOR the purpose of ~~repealing~~ altering the termination provisions applicable to the job
4 creation tax credit program; providing for the effective date of certain provisions
5 of this Act; providing for the termination of certain provisions of this Act; and
6 generally relating to the job creation tax credit program.

7 BY repealing and reenacting, with amendments,

8 Article 83A - Department of Business and Economic Development

9 Section 5-1103

10 Annotated Code of Maryland

11 (2003 Replacement Volume and 2007 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article - Economic Development

14 Section 6-309

15 Annotated Code of Maryland

16 (As enacted by Chapter (H.B. 1050) of the Acts of the General Assembly of
17 2008)

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

20 **Article 83A - Department of Business and Economic Development**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~5~~-1103.

2 (a) Subject to the provisions of this section, the provisions of this subtitle and
3 the tax credit authorized under this subtitle shall terminate as of January 1, ~~2010~~
4 **2014**.

5 (b) (1) The tax credits authorized under this subtitle:

6 (i) May be claimed only for qualified positions at a newly
7 established or expanded facility that commences operations before January 1, ~~2009~~
8 **2013**; and

9 (ii) May not be earned for any credit year beginning on or after
10 January 1, ~~2010~~ **2014**.

11 (2) Subject to the limitations under this subtitle, for taxable years
12 beginning on or after January 1, ~~2010~~ **2014**, tax credits earned in credit years
13 beginning before January 1, ~~2010~~ **2014**, may be allowed ratably over a 2-year period,
14 may be carried forward, and are subject to recapture as provided in § 5-1102 of this
15 subtitle.†

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

18 **Article - Economic Development**

19 6-309.

20 (a) (1) Subject to paragraph (2) of this subsection, this subtitle and the
21 tax credit authorized under it shall terminate on January 1, [2010] 2014.

22 (2) As provided in this subtitle, for taxable years beginning on or after
23 January 1, [2010] 2014, tax credits earned in credit years beginning before January 1,
24 [2010] 2014 may be allowed ratably over a 2-year period, may be carried forward, and
25 are subject to recapture in accordance with § 6-305 of this subtitle.

26 (b) The tax credit authorized under this subtitle:

27 (1) may be claimed only for qualified positions at a newly established
28 or expanded business facility that commences operations before January 1, [2009]
29 2013; and

30 (2) may not be earned for a credit year beginning on or after January
31 1, [2010] 2014.

1 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
2 take effect on the taking effect of Chapter (H.B. 1050) of the Acts of the General
3 Assembly of 2008. If Section 2 of this Act takes effect, Section 1 of this Act shall be
4 abrogated and of no further force and effect.

5 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That, subject to the
6 provisions of Section 3 of this Act, this Act shall take effect July 1, 2008.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.