

SENATE BILL 373

Q3

8lr1864

By: **Senators DeGrange, Brinkley, Currie, Della, Dyson, King, Klausmeier, McFadden, Miller, Munson, Peters, Robey, Stoltzfus, and Stone**

Introduced and read first time: January 30, 2008

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 23, 2008

CHAPTER _____

1 AN ACT concerning

2 **Building Opportunities for All Students and Teachers (BOAST) in Maryland**
3 **Tax Credit**

4 FOR the purpose of allowing a credit against the State income tax for contributions
5 made to an eligible educational scholarship organization or an eligible
6 innovative educational organization; requiring the State Department of
7 Education to administer the tax credit; requiring an entity to submit an
8 application to be an eligible educational scholarship organization or an eligible
9 innovative educational organization by a certain date each year; requiring an
10 eligible educational scholarship organization or an eligible innovative
11 educational organization to meet certain qualifications; requiring a business
12 entity to submit a certain application within a certain time period and to make
13 a contribution to an eligible educational scholarship organization or an eligible
14 innovative educational organization and to provide certain notice within a
15 certain time period; requiring the Department to adopt certain regulations
16 jointly with the Comptroller; requiring the Department to approve certain
17 applications within a certain time period and in a certain manner; requiring the
18 Department to rescind certain tax credit certificates if certain notice is not
19 provided within a certain time period; providing limits on the amount of certain
20 tax credits and the aggregate amount of tax credits that may be approved by the
21 Department in a calendar year; establishing the Building Opportunities for All
22 Students and Teachers Reserve Fund; authorizing the Governor to include an
23 appropriation to the Fund in the annual budget bill; requiring the Comptroller
24 to transfer certain amounts from the Fund to the General Fund under certain
25 circumstances; providing that certain unused tax credits may not be carried

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 forward; requiring the Department to publish and update a certain list in a
 2 certain manner each year and to submit a certain report by a certain date each
 3 year; requiring a certain addition modification under the Maryland income tax
 4 if a certain tax credit is claimed; defining certain terms; providing for the
 5 application of this Act; and generally relating to a State income tax credit for
 6 contributions made to an eligible educational scholarship organization or an
 7 eligible innovative educational organization.

8 BY repealing and reenacting, without amendments,
 9 Article – Tax – General
 10 Section 10–205(a) and 10–306(a)
 11 Annotated Code of Maryland
 12 (2004 Replacement Volume and 2006 Supplement)

13 BY adding to
 14 Article – Tax – General
 15 Section 10–205(j), 10–306(f), and 10–726
 16 Annotated Code of Maryland
 17 (2004 Replacement Volume and 2007 Supplement)

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

20 **Article – Tax – General**

21 10–205.

22 (a) In addition to the modification under § 10–204 of this subtitle, the
 23 amounts under this section are added to the federal adjusted gross income of a
 24 resident to determine Maryland adjusted gross income.

25 **(J) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES**
 26 **THE AMOUNT OF A CREDIT CLAIMED UNDER § 10–726 OF THIS TITLE FOR A**
 27 **CONTRIBUTION MADE TO AN ELIGIBLE EDUCATIONAL SCHOLARSHIP**
 28 **ORGANIZATION OR AN ELIGIBLE INNOVATIVE EDUCATIONAL ORGANIZATION.**

29 10–306.

30 (a) In addition to the modification under § 10–305 of this subtitle, the
 31 amounts under this section are added to the federal taxable income of a corporation to
 32 determine Maryland modified income.

33 **(F) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES**
 34 **THE AMOUNT OF A CREDIT CLAIMED UNDER § 10–726 OF THIS TITLE FOR A**
 35 **CONTRIBUTION MADE TO AN ELIGIBLE EDUCATIONAL SCHOLARSHIP**
 36 **ORGANIZATION OR AN ELIGIBLE INNOVATIVE EDUCATIONAL ORGANIZATION.**

1 **10-726.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
3 MEANINGS INDICATED.

4 (2) "BUSINESS ENTITY" MEANS:

5 (I) A PERSON CONDUCTING OR OPERATING A TRADE OR
6 BUSINESS IN MARYLAND; OR

7 (II) AN ORGANIZATION OPERATING IN MARYLAND THAT IS
8 EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE
9 CODE.

10 (3) "CONTRIBUTION" MEANS A MONETARY DONATION.

11 (4) "DEPARTMENT" MEANS THE STATE DEPARTMENT OF
12 EDUCATION.

13 (5) "ELIGIBLE EDUCATIONAL SCHOLARSHIP ORGANIZATION"
14 MEANS AN ENTITY THAT:

15 (I) IS EXEMPT FROM FEDERAL TAXATION UNDER §
16 501(C)(3) OF THE INTERNAL REVENUE CODE;

17 (II) PROVIDES TUITION SCHOLARSHIPS TO:

18 1. STUDENTS ATTENDING ELIGIBLE NONPUBLIC
19 SCHOOLS IN THE STATE; AND

20 2. TEACHERS AT ELIGIBLE NONPUBLIC SCHOOLS IN
21 THE STATE FOR THE PURPOSE OF ASSISTING IN THE COST OF GRADUATE-LEVEL
22 COURSE WORK OR CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMS TO
23 MEET OR RETAIN STATE CERTIFICATION OR CERTIFICATION BY THE NATIONAL
24 BOARD FOR PROFESSIONAL TEACHING STANDARDS; AND

25 (III) MEETS THE REQUIREMENTS OF SUBSECTION (C)(1) OF
26 THIS SECTION.

27 (6) "ELIGIBLE INNOVATIVE EDUCATIONAL ORGANIZATION"
28 MEANS AN ENTITY THAT:

29 (I) IS EXEMPT FROM FEDERAL TAXATION UNDER §
30 501(C)(3) OF THE INTERNAL REVENUE CODE;

1 (II) PROVIDES GRANTS, SERVICES, OR PROGRAMS FOR:

2 1. PUBLIC SCHOOLS TO SUPPORT INNOVATIVE
3 EDUCATIONAL PROGRAMS THAT ARE NOT PART OF THE REGULAR ACADEMIC
4 PROGRAM OF A PUBLIC SCHOOL BUT THAT ENRICH THE CURRICULUM OR
5 ACADEMIC PROGRAM OF A PUBLIC SCHOOL IN ORDER TO ACHIEVE THE GOALS
6 OF THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT OF 2002; OR

7 2. TEACHERS EMPLOYED BY PUBLIC SCHOOLS IN
8 THE STATE FOR THE PURPOSE OF MEETING OR RETAINING STATE
9 CERTIFICATION OR CERTIFICATION BY THE NATIONAL BOARD FOR
10 PROFESSIONAL TEACHING STANDARDS; AND

11 (III) MEETS THE REQUIREMENTS OF SUBSECTION (C)(2) OF
12 THIS SECTION.

13 (7) "ELIGIBLE NONPUBLIC SCHOOL" MEANS A KINDERGARTEN,
14 ELEMENTARY, OR SECONDARY SCHOOL THAT:

15 (I) HOLDS A CERTIFICATE OF APPROVAL FROM OR IS
16 REGISTERED WITH THE STATE BOARD OF EDUCATION;

17 (II) DOES NOT CHARGE TUITION THAT IS GREATER THAN
18 THE STATEWIDE AVERAGE PER PUPIL EXPENDITURE BY THE LOCAL EDUCATION
19 AGENCIES CALCULATED BY THE DEPARTMENT WITH EXCEPTIONS FOR SPECIAL
20 EDUCATION STUDENTS DETERMINED BY THE DEPARTMENT TO BE
21 APPROPRIATE; AND

22 (III) COMPLIES WITH TITLE VI OF THE CIVIL RIGHTS ACT
23 OF 1964, AS AMENDED.

24 (B) (1) SUBJECT TO THE PROVISIONS OF THIS SUBSECTION, A
25 BUSINESS ENTITY MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN
26 AMOUNT EQUAL TO 75% OF A CONTRIBUTION MADE TO AN ELIGIBLE
27 EDUCATIONAL SCHOLARSHIP ORGANIZATION OR AN ELIGIBLE INNOVATIVE
28 EDUCATIONAL ORGANIZATION.

29 (2) A CREDIT CLAIMED BY A BUSINESS ENTITY UNDER THIS
30 SECTION MAY NOT EXCEED \$200,000 ANNUALLY.

31 (C) (1) TO QUALIFY AS AN ELIGIBLE EDUCATIONAL SCHOLARSHIP
32 ORGANIZATION, AN ENTITY SHALL:

33 (I) APPLY TO THE DEPARTMENT ON OR BEFORE
34 DECEMBER 1 OF EACH YEAR;

1 (II) PROVIDE TUITION SCHOLARSHIPS TO STUDENTS
2 ATTENDING ELIGIBLE NONPUBLIC SCHOOLS OR TEACHERS WORKING AT
3 ELIGIBLE NONPUBLIC SCHOOLS;

4 (III) CONTRIBUTE OR IRREVOCABLY ENCUMBER:

5 1. AT LEAST 85% OF ANNUAL CASH RECEIPTS
6 RECEIVED AS THE RESULT OF CONTRIBUTIONS APPROVED FOR TAX CREDITS
7 UNDER THIS SECTION TOWARD TUITION SCHOLARSHIPS FOR STUDENTS OR
8 TEACHERS AT ELIGIBLE NONPUBLIC SCHOOLS AS PROVIDED UNDER THIS
9 SECTION; AND

10 2. NO MORE THAN 25% OF ANNUAL CASH RECEIPTS
11 RECEIVED AS THE RESULT OF CONTRIBUTIONS APPROVED FOR TAX CREDITS
12 UNDER THIS SECTION FOR GRANTS TO TEACHERS EMPLOYED AT ELIGIBLE
13 NONPUBLIC SCHOOLS UNDER THIS SECTION;

14 (IV) PROVIDE TUITION SCHOLARSHIPS TO AT LEAST FOUR
15 DIFFERENT ELIGIBLE NONPUBLIC SCHOOLS IN EACH CALENDAR YEAR;

16 (V) PROVIDE SCHOLARSHIPS ON A PRIORITY BASIS FIRST
17 TO STUDENT APPLICANTS WHO ARE ELIGIBLE FOR FREE AND REDUCED PRICE
18 MEALS BASED ON ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE UNITED
19 STATES DEPARTMENT OF AGRICULTURE AND THEN TO OTHER STUDENT
20 APPLICANTS BASED ON FINANCIAL NEED;

21 (VI) SUBMIT TO THE DEPARTMENT THE APPLICATION AND
22 REVIEW PROCESS FOR APPROVAL OF TUITION SCHOLARSHIPS; AND

23 (VII) ON OR BEFORE JANUARY 1 OF EACH YEAR, SUBMIT
24 VERIFICATION TO THE DEPARTMENT THAT ALL REQUIREMENTS FOR
25 ELIGIBILITY UNDER THIS PARAGRAPH HAVE BEEN MET IN THE PRIOR
26 CALENDAR YEAR.

27 (2) TO QUALIFY AS AN ELIGIBLE INNOVATIVE EDUCATIONAL
28 ORGANIZATION, AN ENTITY SHALL:

29 (I) APPLY TO THE DEPARTMENT ON OR BEFORE
30 DECEMBER 1 OF EACH YEAR;

31 (II) PROVIDE GRANTS, SERVICES, OR PROGRAMS FOR:

32 1. PUBLIC SCHOOLS TO SUPPORT INNOVATIVE
33 EDUCATIONAL PROGRAMS THAT ARE NOT PART OF THE REGULAR ACADEMIC

1 PROGRAM OF A PUBLIC SCHOOL BUT THAT ENRICH THE CURRICULUM OR
2 ACADEMIC PROGRAM OF A PUBLIC SCHOOL IN ORDER TO ACHIEVE THE GOALS
3 OF THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT OF 2002; OR

4 2. TEACHERS EMPLOYED BY PUBLIC SCHOOLS IN
5 THE STATE FOR THE PURPOSE OF MEETING OR RETAINING STATE
6 CERTIFICATION OR CERTIFICATION BY THE NATIONAL BOARD FOR
7 PROFESSIONAL TEACHING STANDARDS;

8 (III) CONTRIBUTE OR IRREVOCABLY ENCUMBER:

9 1. AT LEAST 85% OF ANNUAL CASH RECEIPTS
10 RECEIVED AS THE RESULT OF CONTRIBUTIONS APPROVED FOR TAX CREDITS
11 UNDER THIS SECTION FOR GRANTS, SERVICES, OR PROGRAMS FOR PUBLIC
12 SCHOOLS AND TEACHERS EMPLOYED AT PUBLIC SCHOOLS UNDER THIS
13 SECTION; AND

14 2. NO MORE THAN 25% OF ANNUAL CASH RECEIPTS
15 RECEIVED AS THE RESULT OF CONTRIBUTIONS APPROVED FOR TAX CREDITS
16 UNDER THIS SECTION FOR GRANTS, SERVICES, OR PROGRAMS FOR TEACHERS
17 EMPLOYED AT PUBLIC SCHOOLS UNDER THIS SECTION;

18 (IV) SUBMIT TO THE DEPARTMENT THE APPLICATION AND
19 REVIEW PROCESS FOR APPROVAL OF GRANTS, SERVICES, OR PROGRAMS; AND

20 (V) ON OR BEFORE JANUARY 1 OF EACH YEAR, SUBMIT
21 VERIFICATION TO THE DEPARTMENT THAT ALL REQUIREMENTS FOR
22 ELIGIBILITY UNDER THIS PARAGRAPH HAVE BEEN MET FOR THE PRIOR
23 CALENDAR YEAR.

24 (D) AT LEAST 45 DAYS PRIOR TO MAKING A CONTRIBUTION TO AN
25 ELIGIBLE EDUCATIONAL SCHOLARSHIP ORGANIZATION OR AN ELIGIBLE
26 INNOVATIVE EDUCATIONAL ORGANIZATION, A BUSINESS ENTITY SHALL APPLY
27 TO THE DEPARTMENT FOR AN INITIAL CREDIT CERTIFICATE.

28 (E) THE DEPARTMENT SHALL:

29 (1) ADOPT REGULATIONS JOINTLY WITH THE COMPTROLLER TO
30 IMPLEMENT THIS SECTION;

31 (2) APPROVE ALL APPLICATIONS FOR TAX CREDITS UNDER THIS
32 SECTION ON A FIRST-COME, FIRST-SERVED BASIS;

1 (3) **WITHIN 60 DAYS AFTER RECEIPT, APPROVE OR REJECT AN**
2 **ENTITY’S APPLICATION TO BECOME AN ELIGIBLE EDUCATIONAL SCHOLARSHIP**
3 **ORGANIZATION OR AN ELIGIBLE INNOVATIVE EDUCATIONAL ORGANIZATION;**

4 (4) **WITHIN 45 DAYS AFTER RECEIVING AN APPLICATION, ISSUE**
5 **AN INITIAL TAX CREDIT CERTIFICATE AS PROVIDED UNDER THIS SECTION**
6 **STATING THE MAXIMUM AMOUNT OF THE TAX CREDIT FOR WHICH A BUSINESS**
7 **ENTITY IS ELIGIBLE OR PROVIDE NOTICE OF REJECTION OF THE APPLICATION**
8 **THAT CONTAINS AN EXPLANATION OF THE REASON FOR REJECTION;**

9 (5) **WITHIN 45 DAYS AFTER RECEIVING NOTICE OF A**
10 **CONTRIBUTION MADE TO AN ELIGIBLE EDUCATIONAL SCHOLARSHIP**
11 **ORGANIZATION OR AN ELIGIBLE INNOVATIVE EDUCATIONAL ORGANIZATION,**
12 **ISSUE A FINAL CREDIT CERTIFICATE AS PROVIDED UNDER THIS SECTION;**

13 (6) **PUBLISH AN ANNUAL LIST OF ALL ELIGIBLE EDUCATIONAL**
14 **SCHOLARSHIP ORGANIZATIONS OR INNOVATIVE EDUCATIONAL ORGANIZATIONS**
15 **APPROVED BY THE DEPARTMENT; AND**

16 (7) **MAKE THE LIST UNDER ITEM (6) OF THIS SUBSECTION**
17 **ACCESSIBLE ON THE INTERNET, UPDATE THE LIST REGULARLY, AND PROVIDE**
18 **THE LIST TO THE COMPTROLLER ON AN ANNUAL BASIS.**

19 (F) (1) **AFTER THE DEPARTMENT HAS ISSUED AN INITIAL CREDIT**
20 **CERTIFICATE UNDER THIS SECTION, THE BUSINESS ENTITY SHALL HAVE 90**
21 **DAYS TO MAKE A CONTRIBUTION TO AN ELIGIBLE EDUCATIONAL SCHOLARSHIP**
22 **ORGANIZATION OR AN ELIGIBLE INNOVATIVE EDUCATIONAL ORGANIZATION**
23 **UNDER THIS SECTION.**

24 (2) **WITHIN 60 DAYS AFTER MAKING A CONTRIBUTION TO AN**
25 **ELIGIBLE EDUCATIONAL SCHOLARSHIP ORGANIZATION OR AN ELIGIBLE**
26 **INNOVATIVE EDUCATIONAL ORGANIZATION, A BUSINESS ENTITY SHALL**
27 **PROVIDE NOTICE TO THE DEPARTMENT OF THE CONTRIBUTION AND THE**
28 **AMOUNT OF THE CONTRIBUTION.**

29 (3) **IF A BUSINESS ENTITY FAILS TO MAKE A CONTRIBUTION TO**
30 **AN ELIGIBLE EDUCATIONAL SCHOLARSHIP ORGANIZATION OR AN ELIGIBLE**
31 **INNOVATIVE EDUCATIONAL ORGANIZATION WITHIN 90 DAYS AFTER RECEIVING**
32 **AN INITIAL CREDIT CERTIFICATE, THE DEPARTMENT SHALL RESCIND THE**
33 **INITIAL CREDIT CERTIFICATE.**

34 (G) (1) **IN THIS SUBSECTION, “RESERVE FUND” MEANS THE**
35 **BUILDING OPPORTUNITIES FOR ALL STUDENTS AND TEACHERS RESERVE**
36 **FUND ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

1 (2) (I) THERE IS A BUILDING OPPORTUNITIES FOR ALL
2 STUDENTS AND TEACHERS RESERVE FUND WHICH IS A SPECIAL CONTINUING,
3 NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE
4 AND PROCUREMENT ARTICLE.

5 (II) THE MONEY IN THE RESERVE FUND SHALL BE
6 INVESTED AND REINVESTED BY THE TREASURER, AND INTEREST AND
7 EARNINGS SHALL BE CREDITED TO THE GENERAL FUND.

8 (3) (I) EXCEPT AS PROVIDED IN PARAGRAPH (7) OF THIS
9 SUBSECTION, THE DEPARTMENT MAY NOT ISSUE INITIAL TAX CREDIT
10 CERTIFICATES FOR CREDIT AMOUNTS IN THE AGGREGATE TOTALING MORE
11 THAN THE AMOUNT APPROPRIATED TO THE RESERVE FUND FOR THAT FISCAL
12 YEAR IN THE STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

13 (II) IF THE AGGREGATE CREDIT AMOUNTS UNDER INITIAL
14 TAX CREDIT CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE
15 AMOUNT APPROPRIATED TO THE RESERVE FUND FOR THAT FISCAL YEAR, ANY
16 EXCESS AMOUNT SHALL REMAIN IN THE RESERVE FUND AND MAY BE ISSUED
17 UNDER INITIAL TAX CREDIT CERTIFICATES FOR THE NEXT YEAR.

18 (III) FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED
19 FROM THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW
20 OTHER THAN UNDER PARAGRAPH (6) OF THIS SUBSECTION, THE MAXIMUM
21 CREDIT AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY
22 ISSUE INITIAL TAX CREDIT CERTIFICATES SHALL BE REDUCED BY THE AMOUNT
23 TRANSFERRED.

24 (4) FOR EACH FISCAL YEAR, THE GOVERNOR MAY INCLUDE IN
25 THE BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND.

26 (5) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE
27 STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT
28 REDUCE AN APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS
29 APPROVED BY THE GENERAL ASSEMBLY.

30 (6) (I) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY
31 APPROPRIATED IN THE RESERVE FUND SHALL REMAIN IN THE RESERVE FUND.

32 (II) 1. WITHIN 15 DAYS AFTER THE END OF EACH
33 CALENDAR QUARTER, THE DEPARTMENT SHALL NOTIFY THE COMPTROLLER AS
34 TO EACH FINAL CREDIT CERTIFICATE ISSUED DURING THE QUARTER:

35 A. THE MAXIMUM CREDIT AMOUNT STATED IN THE
36 INITIAL CREDIT CERTIFICATE; AND

1 **B. THE FINAL CERTIFIED CREDIT AMOUNT.**

2 **2. ON NOTIFICATION THAT A FINAL CREDIT HAS**
3 **BEEN ISSUED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO**
4 **THE CREDIT AMOUNT STATED IN THE INITIAL CREDIT CERTIFICATE FROM THE**
5 **RESERVE FUND TO THE GENERAL FUND.**

6 ~~(1)~~ **(7) EXCEPT AS PROVIDED IN PARAGRAPH ~~(2)~~ (8) OF THIS**
7 **SUBSECTION, THE MAXIMUM TOTAL AMOUNT OF TAX CREDITS THAT THE**
8 **DEPARTMENT MAY ISSUE IN INITIAL CREDIT CERTIFICATES IS \$5,000,000 IN**
9 **EACH CALENDAR YEAR.**

10 ~~(2)~~ **(8) IF AN INITIAL CREDIT CERTIFICATE HAS BEEN**
11 **RESCINDED BY THE DEPARTMENT, THE DEPARTMENT MAY APPROVE**
12 **ADDITIONAL INITIAL CREDIT CERTIFICATES FOR OTHER BUSINESS ENTITIES**
13 **THAT MAY NOT EXCEED THE AMOUNT OF TAX CREDITS APPROVED IN THE**
14 **INITIAL CREDIT CERTIFICATES THAT WERE RESCINDED.**

15 ~~(3)~~ **(9) IN EACH CALENDAR YEAR, THE DEPARTMENT MAY NOT**
16 **APPROVE INITIAL CREDIT CERTIFICATES THAT:**

17 **(I) EXCEED \$3,000,000 FOR CONTRIBUTIONS TO ELIGIBLE**
18 **EDUCATIONAL SCHOLARSHIP ORGANIZATIONS; OR**

19 **(II) EXCEED \$2,000,000 FOR CONTRIBUTIONS TO ELIGIBLE**
20 **INNOVATIVE EDUCATIONAL ORGANIZATIONS.**

21 **(H) ANY UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER**
22 **TO ANY OTHER TAXABLE YEAR.**

23 **(I) (1) ON OR BEFORE JANUARY 10 OF EACH YEAR, THE**
24 **DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246**
25 **OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, ON THE**
26 **CREDITS APPROVED UNDER THIS SECTION.**

27 **(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS**
28 **SUBSECTION SHALL INCLUDE FOR EACH BUSINESS ENTITY APPROVED TO**
29 **RECEIVE A FINAL CREDIT CERTIFICATE IN THE PRIOR CALENDAR YEAR:**

30 **(I) THE NAME AND ADDRESS OF THE BUSINESS ENTITY;**

31 **(II) THE NAME AND ADDRESS OF THE ELIGIBLE**
32 **EDUCATIONAL SCHOLARSHIP ORGANIZATION OR THE ELIGIBLE INNOVATIVE**
33 **EDUCATIONAL ORGANIZATION RECEIVING THE CONTRIBUTION; AND**

1 (III) THE AMOUNT OF THE APPROVED FINAL CREDIT
2 CERTIFICATE.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2008, and shall be applicable to all taxable years beginning after December 31,
5 2008.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.