

SB0317/685065/2

BY: Committee on Ways and Means

SUBSTITUTE AMENDMENTS TO SENATE BILL 317
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 10, before “under” insert “and benefits”; and in line 15, before “establishing” insert “providing that certain business entities certified under the Program are not required to pay certain fees;”.

On page 2, in line 19, after “Program;” insert “requiring certain manufacturing businesses to apply for a tax credit certificate from the Department of Commerce under certain circumstances; authorizing the Department to provide for the form and content of the application; authorizing the Department to issue tax credit certificates, subject to certain limitations; limiting the total credit amounts for which the Department may issue initial credit certificates for each fiscal year; requiring the Department to give priority to certain manufacturing businesses under certain circumstances and to notify the Comptroller of the amount of any tax credit certificates issued; establishing the More Jobs for Marylanders Tax Credit Reserve Fund; requiring the Governor to include a certain appropriation to the Reserve Fund in the annual budget bill for certain fiscal years; requiring the Comptroller to transfer certain amounts from the Reserve Fund to the General Fund under certain circumstances; requiring the Department to report to the Governor and the General Assembly certain information regarding the tax credit; requiring the Department and the Comptroller to jointly adopt certain regulations; authorizing certain manufacturing businesses to claim a refund for the sales and use tax imposed on the sale of certain personal property or services and paid by the business entity during the preceding calendar year; requiring the business entity, in order to receive the refund, to file with the Department, on or after a certain date, a certain claim and provide to the Department certain evidence; establishing the More Jobs for Marylanders Sales and Use Tax Refund Reserve Fund; requiring the Department to pay certain claims for refunds of the sales and use tax from the Reserve Fund; requiring the Governor to include a certain appropriation to the Reserve Fund in the annual budget bill in certain fiscal years;”; in line 24, after “circumstances;” insert “providing a credit”

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against the State property tax for certain businesses certified under the Program;; and in line 38, after “terms;” insert “altering a certain definition;”.

On page 3, after line 11, insert:

“BY repealing and reenacting, with amendments,

Article – Corporations and Associations

Section 1-203.1

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)”;

and in line 35, after “Section” insert “1-303(a),”.

On page 4, strike in its entirety line 1; after line 1, insert:

“Section 1-303(h), 10-741, 10-742, and 11-411”;

and after line 8, insert:

“BY adding to

Article – Tax – Property

Section 9-110

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)”.

AMENDMENT NO. 2

On page 4, after line 14, insert:

“(e) (1) “Qualified distressed county” means a county with:

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(i) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period; [or]

(II) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS THE AVERAGE RATE OF UNEMPLOYMENT IN THE STATE BY AT LEAST 2 PERCENTAGE POINTS; OR

[(ii)] (III) an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.

(2) “Qualified distressed county” includes a county that:

(i) no longer meets either criterion stated in paragraph (1) of this subsection; but

(ii) has met at least one of the criteria at some time during the preceding 24-month period.”.

AMENDMENT NO. 3

On page 5, in line 12, strike “**THE**” and substitute “**A**”; strike beginning with “**ALLEGANY**” in line 23 down through the fourth “**COUNTY**” in line 27 and substitute “**A TIER I COUNTY OR TIER II COUNTY**”.

On page 7, after line 3, insert:

“(J) “TIER I COUNTY” MEANS:

(1) A QUALIFIED DISTRESSED COUNTY, AS DEFINED IN § 1-101 OF THIS ARTICLE; OR

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(2) A COUNTY DESIGNATED BY THE DEPARTMENT THAT IS NOT A COUNTY DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, NOT TO EXCEED 3 COUNTIES.

(K) “TIER II COUNTY” MEANS A COUNTY THAT IS NOT A COUNTY DESCRIBED IN SUBSECTION (J) OF THIS SECTION.”.

AMENDMENT NO. 4

On page 7, in line 14, after “PROGRAM” insert “**IF THE ELIGIBLE PROJECT:**

(1) IS IN A TIER I COUNTY AND THE BUSINESS ENTITY INTENDS TO CREATE AT LEAST FIVE QUALIFIED POSITIONS AT THE PROJECT LOCATION; OR

(2) IS IN A TIER II COUNTY AND THE BUSINESS ENTITY INTENDS TO CREATE AT LEAST 10 QUALIFIED POSITIONS AT THE PROJECT LOCATION”.

On page 8, in line 9, strike “AT” and substitute “**AS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION FOR AN ELIGIBLE PROJECT IN A TIER I OR TIER II COUNTY**”; in line 10, strike “**AN ELIGIBLE PROJECT**”; and in line 29, strike “(4)” and substitute “**(D)**”.

AMENDMENT NO. 5

On page 9, in line 2, strike “**BENEFIT**” and substitute “**BENEFITS**”; strike in their entirety lines 5 and 6 and substitute:

“(B) ON ENROLLMENT IN THE PROGRAM:

(1) A NEW BUSINESS ENTITY IN A TIER I COUNTY IS ELIGIBLE FOR:”;

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in line 7, before “A” insert “(I)”; in line 8, after “ARTICLE” insert a semicolon; after line 8, insert:

“(II) A CREDIT AGAINST THE STATE PROPERTY TAX, ESTABLISHED UNDER § 9-110 OF THE TAX – PROPERTY ARTICLE;

“(III) A REFUND OF SALES AND USE TAX PAID DURING THE IMMEDIATELY PRECEDING TAXABLE YEAR, AS PROVIDED UNDER § 11-411 OF THE TAX – GENERAL ARTICLE; AND

“(IV) A WAIVER OF FEES CHARGED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION, ESTABLISHED UNDER § 1-203.1 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE; AND

“(2) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, AN EXISTING BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT IS ELIGIBLE FOR A CREDIT AGAINST THE STATE INCOME TAX, ESTABLISHED UNDER § 10-741(B) OF THE TAX – GENERAL ARTICLE.

“(C) THE INCOME TAX CREDIT ESTABLISHED UNDER § 10-741(B) OF THE TAX - GENERAL ARTICLE IS NOT AVAILABLE TO AN EXISTING BUSINESS ENTITY IF THE ENTITY MOVES ITS FACILITY TO ANOTHER COUNTY IN THE STATE ON OR AFTER JUNE 1, 2017.”;

in line 20, strike “(C)” and substitute “(D)”; in line 21, strike “EQUAL TO OR”; and strike beginning with “THE” in line 23 down through “TERMINATES” in line 24 and substitute “ALL PROGRAM BENEFITS TERMINATE”.

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On page 10, in line 14, before “**THAT**” insert “**OR ANY OTHER BENEFIT**”; in line 22, strike “**BENEFIT**” and substitute “**BENEFITS**”; and in line 25, strike “**THE**” and substitute “**A**”.

AMENDMENT NO. 6

On page 11, after line 5, insert:

“Article – Corporations and Associations

1–203.1.

(A) With the exception of the recording fee to be paid when the Department accepts articles of incorporation for record, a volunteer fire company or volunteer rescue squad incorporated in this State is not subject to any of the recording, filing, or special fees enumerated in § 1–203 of this subtitle.

(B) A QUALIFIED BUSINESS ENTITY THAT IS A NEW BUSINESS ENTITY IN A TIER I COUNTY, AS DEFINED UNDER THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE, IS NOT SUBJECT TO THE FEES ENUMERATED IN § 1–203 OF THIS SUBTITLE.”

AMENDMENT NO. 7

On page 12, in line 23, strike “**\$2,000,000**” and substitute “**\$1,000,000**”.

AMENDMENT NO. 8

On page 15, after line 19, insert:

“1–303.

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(a) An evaluation shall be made of the tax credits on or before the dates specified in subsections (b) through [(e)] (H) of this section.

(H) ON OR BEFORE JULY 1, 2021, AN EVALUATION SHALL BE MADE OF THE TAX CREDIT UNDER § 10-741 OF THIS ARTICLE AND THE SALES AND USE TAX REFUND UNDER § 11-411 OF THIS ARTICLE (MORE JOBS FOR MARYLANDERS TAX CREDIT).”;

and in line 21, strike “MEANING” and substitute “MEANINGS”.

AMENDMENT NO. 9

On page 15, after line 24, insert:

“(3) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.”;

in lines 25, 27, 29, and 31, strike “(3)”, “(4)”, “(5)”, and “(6)”, respectively, and substitute “(4)”, “(5)”, “(6)”, and “(7)”, respectively.

On page 16, in line 5, strike “(7)” and substitute “(8)”; after line 6, insert:

“(9) “TIER I COUNTY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(10) “TIER II COUNTY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.”;

in line 11, strike “AN” and substitute “SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN”; in the same line, after “NEW” insert “BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT IN A TIER I COUNTY”; in line 12, strike “AND A QUALIFIED BUSINESS ENTITY” and substitute “THAT OPERATES AN ELIGIBLE”

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PROJECT"; strike beginning with "PROVIDED" in line 13 down through "SUBSECTION" in line 14 and substitute "STATED IN THE FINAL TAX CREDIT CERTIFICATE APPROVED BY THE DEPARTMENT FOR AN ELIGIBLE PROJECT"; after line 20, insert:

"(3) IF THE TAX CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE QUALIFIED BUSINESS ENTITY FOR THAT TAXABLE YEAR, THE QUALIFIED BUSINESS ENTITY MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.";

and strike in their entirety lines 23 through 27, inclusive, and substitute:

"(C) (1) ON ENROLLMENT IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE, A QUALIFIED BUSINESS ENTITY SHALL APPLY TO THE DEPARTMENT FOR A TAX CREDIT CERTIFICATE.

(2) THE APPLICATION SHALL BE IN THE FORM AND SHALL CONTAIN THE INFORMATION THE DEPARTMENT REQUIRES.

(3) (I) SUBJECT TO SUBSECTIONS (D) AND (E) OF THIS SECTION, THE DEPARTMENT MAY ISSUE A TAX CREDIT CERTIFICATE TO A QUALIFIED BUSINESS ENTITY IN AN AMOUNT NOT TO EXCEED THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.

(II) IN DETERMINING THE ALLOCATION OF THE AGGREGATE TAX CREDIT AMOUNTS AVAILABLE IN A FISCAL YEAR AS PROVIDED UNDER SUBSECTION (D) OF THIS SECTION, THE DEPARTMENT SHALL GIVE PRIORITY TO APPLICATIONS FOR ELIGIBLE PROJECTS IN A TIER I COUNTY, AS DEFINED UNDER § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(D) (1) IN THIS SUBSECTION, "RESERVE FUND" MEANS THE MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE FUND ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(2) (I) THERE IS A MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE FUND THAT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

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

(3) (I) SUBJECT TO THE LIMITATIONS OF THIS SUBSECTION, THE DEPARTMENT SHALL ISSUE AN INITIAL TAX CREDIT CERTIFICATE IN AN AMOUNT EQUAL TO A PERCENTAGE OF TOTAL WAGES PAID FOR EACH QUALIFIED POSITION AT AN ELIGIBLE PROJECT AS CALCULATED UNDER SUBSECTION (B)(2) OF THIS SECTION.

(II) AN INITIAL TAX CREDIT CERTIFICATE ISSUED UNDER THIS SUBSECTION SHALL STATE THE MAXIMUM AMOUNT OF TAX CREDIT FOR WHICH THE QUALIFIED BUSINESS ENTITY IS ELIGIBLE.

(III) 1. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBPARAGRAPH, FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE INITIAL TAX CREDIT CERTIFICATES FOR CREDIT AMOUNTS IN THE AGGREGATE TOTALING MORE THAN \$9,000,000 IN A FISCAL YEAR.

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2. IF THE AGGREGATE CREDIT AMOUNTS UNDER INITIAL TAX CREDIT CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE MAXIMUM PROVIDED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, ANY EXCESS AMOUNT SHALL REMAIN IN THE RESERVE FUND AND MAY BE ISSUED UNDER INITIAL TAX CREDIT CERTIFICATES FOR THE NEXT FISCAL YEAR.

3. FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW OTHER THAN UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE MAXIMUM CREDIT AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE INITIAL TAX CREDIT CERTIFICATES SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.

(IV) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND IN AN AMOUNT THAT IS NO LESS THAN THE AMOUNT THE DEPARTMENT REPORTS IS NECESSARY UNDER SUBSECTION (E) OF THIS SECTION TO:

1. MAINTAIN THE CURRENT LEVEL OF MANUFACTURING ACTIVITY IN THE STATE; AND

2. ATTRACT NEW MANUFACTURING ACTIVITY TO THE STATE.

(V) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT

REDUCE AN APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

(VI) BASED ON AN AMOUNT EQUAL TO A PERCENTAGE OF THE TOTAL ACTUAL WAGES PAID FOR EACH QUALIFIED POSITION AT AN ELIGIBLE PROJECT AS CALCULATED UNDER SUBSECTION (B)(2) OF THIS SECTION, THE DEPARTMENT SHALL ISSUE A FINAL TAX CREDIT CERTIFICATE TO THE QUALIFIED BUSINESS ENTITY.

(4) (I) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY APPROPRIATED TO THE RESERVE FUND SHALL REMAIN IN THE FUND.

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

A. THE MAXIMUM CREDIT AMOUNT STATED IN THE INITIAL TAX CREDIT CERTIFICATE FOR THE QUALIFIED BUSINESS ENTITY; AND

B. THE FINAL CERTIFIED CREDIT AMOUNT FOR THE QUALIFIED BUSINESS ENTITY.

2. ON NOTIFICATION THAT A FINAL CREDIT AMOUNT HAS BEEN CERTIFIED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO THE CREDIT AMOUNT STATED IN THE INITIAL TAX CREDIT CERTIFICATE FOR THE QUALIFIED BUSINESS ENTITY FROM THE RESERVE FUND TO THE GENERAL FUND.

(E) ON OR BEFORE JULY 1 EACH YEAR, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE

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GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE AMOUNT OF TAX CREDITS NECESSARY TO:

(1) MAINTAIN THE CURRENT LEVEL OF MANUFACTURING ACTIVITY IN THE STATE; AND

(2) ATTRACT NEW MANUFACTURING ACTIVITY TO THE STATE.

(F) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION AND TO SPECIFY CRITERIA AND PROCEDURES FOR THE APPLICATION FOR, APPROVAL OF, AND MONITORING OF CONTINUING ELIGIBILITY FOR THE TAX CREDIT UNDER THIS SECTION.

11-411.

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

(2) "BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(3) "DEPARTMENT" MEANS THE DEPARTMENT OF COMMERCE.

(4) "ELIGIBLE PROJECT" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(5) "NEW BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(6) “PROGRAM” MEANS THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(7) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(8) “QUALIFIED PERSONAL PROPERTY OR SERVICES” MEANS PERSONAL PROPERTY OR SERVICES PURCHASED FOR USE AT AN ELIGIBLE PROJECT BY A QUALIFIED BUSINESS ENTITY THAT IS ENROLLED IN THE PROGRAM.

(9) “RESERVE FUND” MEANS THE MORE JOBS FOR MARYLANDERS SALES AND USE TAX REFUND RESERVE FUND ESTABLISHED UNDER THIS SECTION.

(B) EXCEPT AS PROVIDED IN § 6-805(B) OF THE ECONOMIC DEVELOPMENT ARTICLE AND SUBJECT TO SUBSECTION (C) OF THIS SECTION, A QUALIFIED BUSINESS ENTITY IS ENTITLED TO A REFUND FOR THE AMOUNT OF SALES AND USE TAX PAID BY THE QUALIFIED BUSINESS ENTITY DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR FOR A SALE OF QUALIFIED PERSONAL PROPERTY OR SERVICES MADE ON OR AFTER JANUARY 1, 2018, IF THE QUALIFIED PERSONAL PROPERTY OR SERVICES ARE PURCHASED BY THE QUALIFIED BUSINESS ENTITY SOLELY FOR USE AT AN ELIGIBLE PROJECT WHILE THE PROJECT IS ENROLLED IN THE PROGRAM.

(C) A QUALIFIED BUSINESS ENTITY MAY CLAIM THE REFUND AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION BY:

(1) ON OR AFTER JANUARY 1 OF THE CALENDAR YEAR IMMEDIATELY FOLLOWING THE PURCHASE OF THE QUALIFIED PERSONAL PROPERTY OR SERVICES, FILING A CLAIM FOR REFUND WITH THE DEPARTMENT; AND

(2) PROVIDING THE DEPARTMENT ANY EVIDENCE THAT THE DEPARTMENT REQUIRES BY REGULATION.

(D) (1) THERE IS A MORE JOBS FOR MARYLANDERS SALES AND USE TAX REFUND RESERVE FUND THAT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED AND REINVESTED BY THE STATE TREASURER, AND INTEREST AND EARNINGS SHALL BE CREDITED TO THE GENERAL FUND.

(3) THE DEPARTMENT SHALL ISSUE A REFUND IN AN AMOUNT EQUAL TO THE AMOUNT CLAIMED BY THE QUALIFIED BUSINESS ENTITY UNDER SUBSECTION (C) OF THIS SECTION.

(4) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBPARAGRAPH, FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE SALES AND USE TAX REFUNDS IN AMOUNTS IN THE AGGREGATE TOTALING MORE THAN \$1,000,000 IN A FISCAL YEAR.

(II) IF THE AGGREGATE AMOUNT OF SALES AND USE TAX REFUNDS ISSUED IN A FISCAL YEAR TOTALS LESS THAN THE MAXIMUM PROVIDED

UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, ANY EXCESS AMOUNT SHALL BE TRANSFERRED TO THE MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE FUND ESTABLISHED UNDER § 10-741 OF THIS ARTICLE.

(III) FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM THE RESERVE FUND UNDER AUTHORITY OF ANY PROVISION OF LAW, THE MAXIMUM AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE SALES AND USE TAX REFUNDS SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.

(5) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND.

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

(E) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION AND TO SPECIFY CRITERIA AND PROCEDURES FOR THE APPLICATION FOR, APPROVAL OF, AND MONITORING OF CONTINUING ELIGIBILITY FOR SALES AND USE TAX REFUNDS UNDER THIS SECTION.”

AMENDMENT NO. 10

On page 18, after line 6, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

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Article – Tax – Property

9-110.

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

(2) “BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(3) “ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(4) “NEW BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(5) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT IN A TIER I COUNTY, AS DEFINED UNDER § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(6) “QUALIFIED PROPERTY” MEANS REAL PROPERTY WHERE AN ELIGIBLE PROJECT IS LOCATED.

(B) (1) THERE IS A CREDIT AGAINST THE STATE PROPERTY TAX UNDER THIS SECTION IMPOSED ON REAL PROPERTY OWNED BY A QUALIFIED BUSINESS ENTITY ENROLLED IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(2) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION IS EQUAL TO 100% OF ALL STATE PROPERTY TAX THAT IS DUE.

(3) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION DOES NOT AFFECT THE AMOUNT OF THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON THE PROPERTY.

(C) BY JUNE 15 EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE DEPARTMENT OF COMMERCE A LIST THAT INCLUDES:

(1) THE LOCATION OF EACH QUALIFIED PROPERTY;

(2) THE AMOUNT OF THE BASE YEAR VALUE FOR EACH QUALIFIED PROPERTY; AND

(3) THE AMOUNT OF THE STATE PROPERTY TAX ASSESSED AGAINST EACH QUALIFIED PROPERTY.”.

AMENDMENT NO. 11

On page 20, in line 13, strike “3.” and substitute “4.”.

AMENDMENT NO. 12

On page 21, in lines 26 and 35, respectively, strike “4.” and “5.”, respectively, and substitute “5.” and “6.”, respectively.

On page 22, in lines 4, 25, 27, 32, and 34, strike “6.”, “7.”, “8.”, “9.”, and “10.”, respectively, and substitute “7.”, “8.”, “9.”, “11.”, and “12.”, respectively; in line 26, strike “2016” and substitute “2017”; after line 31, insert:

“SECTION 10. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall be applicable to all taxable years beginning after June 30, 2017.”;

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in line 32, strike “3” and substitute “4”; and in line 35, strike “8” and substitute “9”.