

HOUSE BILL 1141

Q3
HB 723/06 – W&M

9lr1249

By: **Delegates Washington and Bridges**
Introduced and read first time: February 8, 2019
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Qualified Maryland Housing Tax Credit**

3 FOR the purpose of allowing a credit against the State income tax for certain qualified
4 Maryland housing in certain areas; providing for allocation of the aggregate
5 available credit amount among qualified Maryland housing projects by the Secretary
6 of Housing and Community Development; limiting the aggregate credit amount that
7 may be allocated for any fiscal year; limiting the credit amount that may be allocated
8 to a single project for any fiscal year; establishing the Qualified Maryland Housing
9 Tax Credit Reserve Fund; authorizing the Governor to include certain
10 appropriations for a certain fund in the annual budget bill; requiring the Comptroller
11 to transfer certain amounts from a certain fund to the General Fund of the State
12 under certain circumstances; authorizing the Secretary to adopt certain regulations;
13 requiring the Secretary to adopt certain regulations or policies; authorizing the
14 Secretary, in consultation with the Comptroller, to adopt certain regulations
15 providing for the recapture of the tax credit under certain circumstances; making the
16 credit refundable; requiring the Secretary to report to the General Assembly on or
17 before a certain date each year; defining certain terms; providing for the application
18 of this Act; and generally relating to a State tax credit for qualified Maryland
19 housing.

20 BY adding to

21 Article – Housing and Community Development
22 Section 4–2501 through 4–2505 to be under the new subtitle “Subtitle 25. Qualified
23 Maryland Housing Tax Credit”
24 Annotated Code of Maryland
25 (2006 Volume and 2018 Supplement)

26 BY adding to

27 Article – Tax – General
28 Section 10–749
29 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



(2016 Replacement Volume and 2018 Supplement)

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

Article – Housing and Community Development

SUBTITLE 25. QUALIFIED MARYLAND HOUSING TAX CREDIT.

4–2501.

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

(B) “COMMUNITY REVITALIZATION AREA” MEANS:

(1) A CERTIFIED HERITAGE AREA WITHIN A COUNTY DESIGNATED
GROWTH AREA, AS DESIGNATED UNDER TITLE 13, SUBTITLE 11 OF THE FINANCIAL
INSTITUTIONS ARTICLE;

(2) A FEDERAL OR MARYLAND ENTERPRISE ZONE, AS DEFINED IN §
5–701 OF THE ECONOMIC DEVELOPMENT ARTICLE;

(3) A MAIN STREET MARYLAND COMMUNITY, AS DESIGNATED BY THE
DEPARTMENT;

(4) A RURAL VILLAGE, AS DEFINED IN § 5–7B–01(F) OF THE STATE
FINANCE AND PROCUREMENT ARTICLE, AND DESIGNATED IN A COUNTY
COMPREHENSIVE PLAN AS OF JULY 1, 1998;

(5) A SUSTAINABLE COMMUNITY, AS DEFINED IN § 6–201 OF THIS
ARTICLE;

(6) AN OPPORTUNITY ZONE;

(7) A COMMUNITY OF OPPORTUNITY; OR

(8) ANY OTHER AREA DESIGNATED AS A COMMUNITY REVITALIZATION
AREA BY THE SECRETARY.

(C) “FEDERAL LOW-INCOME HOUSING TAX CREDIT” MEANS THE FEDERAL
TAX CREDIT AS PROVIDED IN § 42 OF THE INTERNAL REVENUE CODE.

(D) “QUALIFIED MARYLAND HOUSING PROJECT” MEANS:

1 (1) A QUALIFIED LOW-INCOME HOUSING PROJECT, AS DEFINED IN §
2 42(G) OF THE INTERNAL REVENUE CODE, THAT IS LOCATED IN A COMMUNITY
3 REVITALIZATION AREA AND THAT QUALIFIES FOR AN ALLOCATION OF THE FEDERAL
4 LOW-INCOME HOUSING TAX CREDIT; OR

5 (2) A HOUSING PROJECT IN A COMMUNITY REVITALIZATION AREA
6 THAT MEETS REQUIREMENTS FOR ELIGIBILITY FOR THE STATE TAX CREDIT AS
7 SPECIFIED IN REGULATIONS THAT THE SECRETARY ADOPTS UNDER § 4-2502 OF
8 THIS SUBTITLE.

9 (E) "STATE TAX CREDIT" MEANS THE INCOME TAX CREDIT ALLOWED UNDER
10 § 10-749 OF THE TAX - GENERAL ARTICLE.

11 4-2502.

12 (A) (1) THE OWNER OF A QUALIFIED MARYLAND HOUSING PROJECT OR
13 THE DEVELOPER OF A PROPOSED PROJECT THAT WILL BECOME A QUALIFIED
14 MARYLAND HOUSING PROJECT MAY APPLY TO THE SECRETARY FOR ALLOCATION
15 TO THE PROJECT OF A PORTION OF THE STATE TAX CREDIT.

16 (2) THE STATE TAX CREDIT MAY BE ALLOCATED TO A QUALIFIED
17 MARYLAND HOUSING PROJECT WHETHER OR NOT A FEDERAL LOW-INCOME
18 HOUSING TAX CREDIT IS ALLOCATED TO THE QUALIFIED MARYLAND HOUSING
19 PROJECT.

20 (3) ALL OR ANY PORTION OF THE STATE TAX CREDIT ALLOCATED
21 UNDER THIS SUBTITLE MAY BE ALLOCATED TO THE OWNER OF A QUALIFIED
22 MARYLAND HOUSING PROJECT, WHETHER OR NOT THE OWNER IS ALLOCATED A
23 PORTION OF ANY FEDERAL INCOME HOUSING TAX CREDIT ALLOCATED TO THE
24 QUALIFIED MARYLAND HOUSING PROJECT.

25 (B) AN APPLICATION UNDER THIS SECTION SHALL BE IN THE FORM AND
26 MANNER AND CONTAIN ANY INFORMATION THAT THE SECRETARY REQUIRES BY
27 REGULATION.

28 (C) (1) THE SECRETARY MAY REQUIRE THAT THE OWNER OF A
29 QUALIFIED MARYLAND HOUSING PROJECT, AS A CONDITION TO RECEIVING AN
30 ALLOCATION OF THE STATE TAX CREDIT, ENTER INTO A WRITTEN REGULATORY
31 AGREEMENT WITH THE SECRETARY UNDER TERMS AND CONDITIONS SET BY THE
32 SECRETARY, REGARDING THE USE OF THE PROJECT.

33 (2) THE SECRETARY MAY REQUIRE THAT ANY AGREEMENT

1 REQUIRED BY THE SECRETARY UNDER THIS SUBSECTION BE FILED IN THE OFFICIAL
2 LAND RECORDS OF THE COUNTY WHERE THE PROJECT IS LOCATED.

3 (3) THE SECRETARY AND ANY LOCAL AGENCY OR AUTHORITY
4 DESIGNATED BY THE SECRETARY MAY ENFORCE AN AGREEMENT REQUIRED BY THE
5 SECRETARY UNDER THIS SECTION IN THE EVENT THE OWNER FAILS TO SATISFY ANY
6 OF THE REQUIREMENTS OF THE AGREEMENT.

7 (4) THE SECRETARY MAY NOT REQUIRE THAT THE OWNER OF A
8 QUALIFIED MARYLAND HOUSING PROJECT, AS A CONDITION TO RECEIVING AN
9 ALLOCATION OF THE STATE TAX CREDIT, UTILIZE THE BONDING AUTHORITY OF THE
10 STATE.

11 (D) THE SECRETARY MAY ADOPT ANY REGULATIONS NECESSARY TO
12 ADMINISTER THE PROVISIONS OF THIS SUBTITLE.

13 (E) (1) THE SECRETARY SHALL ADOPT REGULATIONS OR POLICIES
14 ESTABLISHING CRITERIA BY WHICH THE STATE TAX CREDIT WILL BE ALLOCATED
15 AMONG PROJECTS, INCLUDING ANY CRITERIA FOR ELIGIBILITY FOR THE STATE TAX
16 CREDIT FOR PROJECTS THAT DO NOT QUALIFY FOR THE FEDERAL LOW-INCOME
17 HOUSING TAX CREDIT.

18 (2) UNDER THE REGULATIONS THAT THE SECRETARY ADOPTS
19 UNDER PARAGRAPH (1) OF THIS SUBSECTION, A PROJECT THAT DOES NOT QUALIFY
20 FOR THE FEDERAL LOW-INCOME HOUSING TAX CREDIT MAY BE ELIGIBLE FOR THE
21 STATE TAX CREDIT UNDER THIS SUBTITLE IF THE PROJECT WILL PROVIDE IN
22 WHOLE OR IN PART HOUSING FOR FAMILIES OF LOW INCOMES, AS DETERMINED
23 UNDER PARAGRAPH (3) OF THIS SUBSECTION.

24 (3) FOR PURPOSES OF THIS SUBSECTION, A PROJECT WILL BE
25 CONSIDERED TO PROVIDE IN WHOLE OR IN PART HOUSING FOR HOUSEHOLDS OF
26 LOW INCOMES IF:

27 (I) AT LEAST 20% OF THE RESIDENTIAL UNITS ARE OCCUPIED
28 BY HOUSEHOLDS WHOSE INCOME IS 50% OR LESS OF FEDERAL AREA MEDIAN
29 INCOME; OR

30 (II) AT LEAST 40% OF THE RESIDENTIAL UNITS ARE OCCUPIED
31 BY HOUSEHOLDS WHOSE INCOME IS 60% OR LESS OF FEDERAL AREA MEDIAN
32 INCOME.

33 (F) ANY PROJECT THAT RECEIVES AN ALLOCATION OF A PORTION OF THE
34 STATE TAX CREDIT SHALL BE RESTRICTED IN OCCUPANCY AS SPECIFIED IN THE

1 REGULATIONS ADOPTED BY THE SECRETARY UNDER SUBSECTION (A) OF THIS
2 SECTION FOR A PERIOD OF AT LEAST 30 YEARS COMMENCING WITH THE FIRST
3 TAXABLE YEAR IN WHICH A STATE TAX CREDIT IS CLAIMED BY THE OWNER.

4 4-2503.

5 (A) (1) THE MAXIMUM AGGREGATE AVAILABLE STATE TAX CREDIT THAT
6 MAY BE ALLOCATED FOR EACH FISCAL YEAR EQUALS THE LESSER OF:

7 (I) THE AMOUNT APPROPRIATED FOR THE QUALIFIED
8 MARYLAND HOUSING TAX CREDIT RESERVE FUND FOR THAT FISCAL YEAR IN THE
9 STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY; OR

10 (II) \$10,000,000.

11 (2) THE SECRETARY MAY ALLOCATE THE AGGREGATE AVAILABLE
12 STATE TAX CREDIT FOR A FISCAL YEAR AMONG PROJECTS TO BE QUALIFIED
13 MARYLAND HOUSING PROJECTS TO BE PLACED IN SERVICE DURING OR AFTER THAT
14 FISCAL YEAR.

15 (3) THE SECRETARY MAY NOT ALLOCATE FOR A SINGLE QUALIFIED
16 MARYLAND HOUSING PROJECT A TOTAL CREDIT AMOUNT THAT EXCEEDS:

17 (I) 70% OF THE QUALIFIED BASIS OF THE PROJECT UNDER THE
18 FEDERAL LOW-INCOME TAX CREDIT IF THE PROJECT HAS AN APPLICABLE
19 PERCENTAGE OF 9% UNDER THE FEDERAL LOW-INCOME HOUSING TAX CREDIT; OR

20 (II) 30% OF THE QUALIFIED BASIS OF THE PROJECT UNDER THE
21 FEDERAL LOW-INCOME TAX CREDIT IF THE PROJECT HAS AN APPLICABLE
22 PERCENTAGE OF 4% UNDER THE FEDERAL LOW-INCOME HOUSING TAX CREDIT.

23 (4) ANY PART OF THE AGGREGATE AVAILABLE STATE TAX CREDIT
24 FOR ANY FISCAL YEAR THAT IS NOT ALLOCATED BY THE SECRETARY IN THAT FISCAL
25 YEAR MAY BE CARRIED OVER AND ALLOCATED FOR ANY SUBSEQUENT FISCAL YEAR.

26 (B) (1) IN THIS SUBSECTION, "RESERVE FUND" MEANS THE QUALIFIED
27 MARYLAND HOUSING TAX CREDIT RESERVE FUND ESTABLISHED UNDER
28 PARAGRAPH (2) OF THIS SUBSECTION.

29 (2) (I) THERE IS A QUALIFIED MARYLAND HOUSING TAX CREDIT
30 RESERVE FUND.

31 (II) THE RESERVE FUND IS A SPECIAL, NONLAPSING FUND

1 THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT
2 ARTICLE.

3 (iii) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED
4 AND REINVESTED BY THE STATE TREASURER, AND INTEREST AND EARNINGS SHALL
5 BE CREDITED TO THE GENERAL FUND OF THE STATE.

6 (3) (i) 1. EXCEPT AS OTHERWISE PROVIDED IN THIS
7 SUBPARAGRAPH, FOR ANY FISCAL YEAR, THE SECRETARY MAY NOT ALLOCATE TAX
8 CREDITS UNDER THIS SUBTITLE IN THE AGGREGATE TOTALING MORE THAN THE
9 AMOUNT APPROPRIATED FOR THE RESERVE FUND FOR THAT FISCAL YEAR IN THE
10 STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

11 2. IF THE AGGREGATE CREDIT AMOUNTS ALLOCATED IN
12 A FISCAL YEAR TOTAL LESS THAN THE AMOUNT APPROPRIATED FOR THE RESERVE
13 FUND FOR THAT FISCAL YEAR, ANY EXCESS AMOUNT SHALL REMAIN IN THE
14 RESERVE FUND AND MAY BE ALLOCATED FOR THE NEXT FISCAL YEAR.

15 3. FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED
16 FROM THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW
17 OTHER THAN PARAGRAPH (4) OF THIS SUBSECTION, THE MAXIMUM CREDIT
18 AMOUNTS IN THE AGGREGATE THAT THE SECRETARY MAY ALLOCATE SHALL BE
19 REDUCED BY THE AMOUNT TRANSFERRED.

20 (ii) FOR EACH FISCAL YEAR, THE GOVERNOR MAY INCLUDE IN
21 THE BUDGET BILL AN APPROPRIATION FOR THE RESERVE FUND.

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

26 (4) (i) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY
27 APPROPRIATED FOR THE RESERVE FUND SHALL REMAIN IN THE RESERVE FUND.

28 (ii) 1. WITHIN 15 DAYS AFTER THE END OF EACH CALENDAR
29 QUARTER, THE DEPARTMENT SHALL NOTIFY THE COMPTROLLER AS TO EACH
30 QUALIFIED MARYLAND HOUSING PROJECT FOR WHICH A FINAL CREDIT
31 CERTIFICATE WAS ISSUED DURING THE QUARTER:

32 A. THE MAXIMUM CREDIT AMOUNT INITIALLY
33 ALLOCATED TO THE PROJECT; AND

1 **B. THE FINAL CERTIFIED CREDIT AMOUNT FOR THE**
2 **PROJECT.**

3 **2. ON NOTIFICATION THAT THE FINAL CREDIT FOR A**
4 **PROJECT HAS BEEN CERTIFIED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT**
5 **EQUAL TO THE CREDIT AMOUNT INITIALLY ALLOCATED TO THE PROJECT FROM THE**
6 **RESERVE FUND TO THE GENERAL FUND OF THE STATE.**

7 **4-2504.**

8 **(A) ON OR BEFORE THE LAST DAY OF THE TAXABLE YEAR IN WHICH A**
9 **QUALIFIED MARYLAND HOUSING PROJECT THAT HAS BEEN ALLOCATED A PART OF**
10 **THE STATE TAX CREDIT UNDER THIS SUBTITLE IS PLACED IN SERVICE, THE OWNER**
11 **SHALL:**

12 **(1) NOTIFY THE SECRETARY THAT THE PROJECT HAS BEEN PLACED**
13 **IN SERVICE; AND**

14 **(2) CERTIFY THAT THE PROJECT IS A QUALIFIED MARYLAND**
15 **HOUSING PROJECT ELIGIBLE FOR THE STATE TAX CREDIT.**

16 **(B) WITHIN 15 DAYS AFTER NOTIFICATION THAT A PROJECT HAS BEEN**
17 **PLACED IN SERVICE, THE SECRETARY SHALL ISSUE TO THE OWNER A FINAL CREDIT**
18 **CERTIFICATE FOR THE PROJECT STATING THE FINAL CREDIT AMOUNT FOR THE**
19 **PROJECT, NOT TO EXCEED THE CREDIT AMOUNT INITIALLY ALLOCATED TO THE**
20 **PROJECT.**

21 **(C) THE SECRETARY SHALL:**

22 **(1) DETERMINE WHETHER ANY EVENT HAS OCCURRED IN VIOLATION**
23 **OF THIS SUBTITLE OR REGULATIONS ADOPTED UNDER THIS SUBTITLE THAT MAKES**
24 **THE PROJECT INELIGIBLE FOR THE STATE TAX CREDIT OR OTHERWISE TRIGGERS**
25 **THE RECAPTURE OF ANY STATE TAX CREDIT AS PROVIDED UNDER § 10-749 OF THE**
26 **TAX - GENERAL ARTICLE; AND**

27 **(2) PROMPTLY NOTIFY THE COMPTROLLER OF THE OCCURRENCE OF**
28 **SUCH AN EVENT.**

29 **4-2505.**

30 **ON OR BEFORE DECEMBER 31, OF EACH YEAR THE SECRETARY SHALL**
31 **REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE,**
32 **TO THE GENERAL ASSEMBLY:**

1 **(1) THE NUMBER OF QUALIFIED MARYLAND HOUSING PROJECTS**
2 **THAT RECEIVED A TAX CREDIT ALLOCATION DURING THE YEAR;**

3 **(2) THE NUMBER OF HOUSING UNITS SUPPORTED BY EACH**
4 **QUALIFIED MARYLAND HOUSING PROJECT THAT RECEIVED A TAX CREDIT**
5 **ALLOCATION DURING THE YEAR;**

6 **(3) A DESCRIPTION OF EACH QUALIFIED MARYLAND HOUSING**
7 **PROJECT THAT INCLUDES:**

8 **(I) THE GEOGRAPHIC LOCATION OF THE PROJECT;**

9 **(II) DEMOGRAPHIC INFORMATION AND INCOME LEVELS OF THE**
10 **RESIDENTS INTENDED TO BE SERVED BY THE PROJECT; AND**

11 **(III) THE RENT THAT IS AUTHORIZED TO BE CHARGED FOR A**
12 **UNIT IN THE PROJECT; AND**

13 **(4) HOUSING MARKET AND DEMOGRAPHIC INFORMATION THAT**
14 **DEMONSTRATES HOW EACH QUALIFIED MARYLAND HOUSING PROJECT IS**
15 **ADDRESSING THE NEED FOR AFFORDABLE HOUSING WITHIN THE COMMUNITIES IT**
16 **IS INTENDED TO SERVE, INCLUDING INFORMATION ABOUT THE REMAINING**
17 **DISPARITIES IN AFFORDABILITY WITHIN THOSE COMMUNITIES.**

18 **Article – Tax – General**

19 **10–749.**

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

22 **(2) “FEDERAL LOW-INCOME HOUSING TAX CREDIT” MEANS THE**
23 **FEDERAL TAX CREDIT AS PROVIDED IN § 42 OF THE INTERNAL REVENUE CODE.**

24 **(3) “QUALIFIED MARYLAND HOUSING PROJECT” HAS THE MEANING**
25 **STATED IN § 4–2501 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

26 **(4) “SECRETARY” MEANS THE SECRETARY OF HOUSING AND**
27 **COMMUNITY DEVELOPMENT.**

28 **(B) AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE**
29 **STATE INCOME TAX IN THE AMOUNT DETERMINED UNDER SUBSECTION (C) OF THIS**
30 **SECTION FOR A QUALIFIED MARYLAND HOUSING PROJECT.**

1 **(C) (1) THE CREDIT UNDER THIS SECTION EQUALS THE AMOUNT**
2 **DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION FOR EACH QUALIFIED**
3 **MARYLAND HOUSING PROJECT.**

4 **(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
5 **PARAGRAPH, THE AMOUNT ALLOWED UNDER PARAGRAPH (1) OF THIS SUBSECTION**
6 **FOR EACH QUALIFIED MARYLAND HOUSING PROJECT EQUALS THE AMOUNT STATED**
7 **IN THE FINAL CREDIT CERTIFICATE ISSUED BY THE SECRETARY UNDER TITLE 4,**
8 **SUBTITLE 25 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

9 **(II) THE CREDIT AMOUNT ALLOWED FOR A PROJECT UNDER**
10 **SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE CLAIMED IN FULL:**

11 **1. IN THE CASE OF A PROJECT THAT HAS RECEIVED AN**
12 **ALLOCATION OF THE FEDERAL LOW-INCOME HOUSING TAX CREDIT, FOR THE FIRST**
13 **TAXABLE YEAR FOR WHICH THE FEDERAL LOW-INCOME HOUSING TAX CREDIT MAY**
14 **BE CLAIMED; OR**

15 **2. IN THE CASE OF A PROJECT THAT HAS NOT RECEIVED**
16 **AN ALLOCATION OF THE FEDERAL LOW-INCOME HOUSING TAX CREDIT, FOR THE**
17 **FIRST TAXABLE YEAR THE PROJECT IS PLACED IN SERVICE, WITHIN THE MEANING**
18 **OF § 42 OF THE INTERNAL REVENUE CODE.**

19 **(D) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR**
20 **EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, A AN INDIVIDUAL OR**
21 **CORPORATION MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.**

22 **(E) AN INDIVIDUAL OR A CORPORATION CLAIMING THE STATE TAX CREDIT**
23 **FOR A QUALIFIED MARYLAND HOUSING PROJECT SHALL SUBMIT WITH THE**
24 **INDIVIDUAL'S OR CORPORATION'S INCOME TAX RETURN A COPY OF THE FINAL**
25 **CREDIT CERTIFICATE FOR THE PROJECT ISSUED BY THE SECRETARY UNDER TITLE**
26 **4, SUBTITLE 25 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

27 **(F) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, MAY**
28 **ADOPT REGULATIONS PROVIDING FOR THE RECAPTURE OF THE STATE TAX CREDITS**
29 **ALLOWED UNDER THIS SECTION FOR A QUALIFIED MARYLAND HOUSING PROJECT**
30 **THAT FAILS TO CONTINUE TO MEET THE REQUIREMENTS OF TITLE 4, SUBTITLE 25**
31 **OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

32 **(G) AN INDIVIDUAL OR A CORPORATION MAY NOT CLAIM THE CREDIT**
33 **ALLOWED UNDER THIS SECTION FOR A PROJECT FOR ANY TAXABLE YEAR IN WHICH**
34 **THE OWNER OF THE PROJECT IS IN DEFAULT UNDER ANY REGULATORY AGREEMENT**

1 **REQUIRED WITH RESPECT TO THE PROJECT UNDER § 4-2502 OF THE HOUSING AND**
2 **COMMUNITY DEVELOPMENT ARTICLE.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2019, and shall be applicable to all taxable years beginning after December 31, 2019.