

Maryland Research and Development Tax Credit - Maximum Approved Credit.

FOR the purpose of altering the maximum amount of credits that the Department of Business and Economic Development may approve for a calendar year for each component of the Maryland Research and Development Tax Credit under certain circumstances; providing for the application of this Act; and generally relating to the maximum amount of credits that the Department of Business and Economic Development may approve for a calendar year for each component of the Maryland Research and Development Tax Credit.

BY repealing and reenacting, without amendments,

Article - Tax - General

Section 10-721(b)

Annotated Code of Maryland

(1997 Replacement Volume and 2000 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-721(c)

Annotated Code of Maryland

(1997 Replacement Volume and 2000 Supplement)

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

Article - Tax - General

10-721.

(b) Subject to the limitations of this section, an individual or a corporation may claim credits against the State income tax in an amount equal to:

(1) 3% of the Maryland qualified research and development expenses, not exceeding the Maryland base amount for the individual or corporation, paid or incurred by the individual or corporation during the taxable year; and

(2) 10% of the amount by which the Maryland Qualified Research and Development expenses paid or incurred by the individual or corporation during the taxable year exceed the Maryland base amount for the individual or corporation.

(c) (1) By September 15 of the calendar year following the end of the taxable year in which the Maryland qualified research and development expenses were incurred, an individual or corporation shall submit an application to the Department for the credits allowed under subsection (b)(1) and (2) of this section.

(2) (i) [The] EXCEPT AS PROVIDED UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE total amount of credits approved by the Department under subsection (b)(1) of this section may not exceed \$3,000,000 for any calendar year.