



**Maryland Small Business Relief Tax Credit**

**Application for Certification for TY \_\_\_\_\_**

**(PLEASE READ INSTRUCTIONS BEFORE COMPLETING FORMS)**

Employer Information				
(1) Employer Entity:				
(2) Type of Organization (please check one)				
Corporation	S-Corp, LLC	Partnership	Individual	LP, LLP
(3) Business Address:				
(4) FEIN:			(5) UI Number:	
(6) NAICS Code:			(7) Total Number of Employee(s):	
(8) Tax Year Credit will be claimed: _____ Beginning and End of Tax Year From _____ To _____				
(9) Total Amounts of Tax Credit (Total of Column E from Page 2 )				\$ _____

Supporting Documentation Check List		
Documents for proof of wages and accrued paid sick and safe leave must be provided for each employee listed on page 2 of the application.		
Required Documentation	Acceptable Documentary Evidence	Yes/No
(1) Proof of wages paid to employee	Copy of employee's W-2 form.	Yes    No
(2) Proof of employee's accrued paid sick and safe leave	1. Copy of accrued paid sick and safe leave balance provided to employee(s). 2. If employer provides paid sick and safe leave at the beginning of the year, a copy of the policy or employee's handbook that states how and how much paid sick and safe leave employees are provided.	Yes    No
(3) Evidence that business is in good standing	A screen shot from the Maryland State Department of Assessment and Taxation's website that business is in good standing.	Yes    No
(4) Evidence that business does not owe any state or local taxes	Good Standing Certificate issued by the Comptroller of Maryland.	Yes    No



**Maryland Small Business Relief Tax Credit  
Employees Receiving Paid Sick and Safe Leave**

**(PLEASE READ INSTRUCTIONS BEFORE COMPLETING FORMS)**

Employee(s) Receiving Paid Sick and Safe Leave						
A Name of Employee			B Type of Employee (Full-Time; Part-Time; Temporary)	C Number of Paid Sick and Safe Leave Hours Accrued	D Employee's Wages (Hourly Rate)	E Amount of Tax Credit for Individual Employee (Cannot Exceed \$500)
First Name	MI	Last Name				
<b>Total Amount of Small Business Relief Tax Credit (Total of Column E)</b>						\$

**Collection of Personal Information:** In accordance with Executive Order 01.01.1983.18, the Department of Commerce (“COMMERCE”) advises you as follows: Certain personal information requested by the Department is necessary in determining your eligibility. Failure to disclose this information may result in the denial of one of these benefits or services. Availability of this information for public inspection is governed by the provisions of the Maryland Public Information Act, General Provisions Act, Section 4-101 et seq. of the Annotated Code of Maryland. This information will be disclosed to appropriate staff of the Department and other public officials for purposes directly connected with administration of the program for which its use is intended. Such information is routinely shared with State, federal or local government agencies. You have the right to inspect, amend or correct personal records in accordance with the Maryland Public Information Act.

**Publicity:** The applicant agrees that COMMERCE may issue press releases and otherwise publicize information about the applicant’s qualification for the Small Business Relief Tax Credit.

**Consent:** I give consent to Department of Labor, Licensing and Regulation to release the information that our company provides on the BLS 3023 form and the BLS 3020 form to COMMERCE, solely for the purpose of evaluating the effectiveness of COMMERCE economic development programs and their impact on our company’s employment level.

**Revocation of Tax Credit:** The applicant agrees that COMMRCE may notify the Comptroller of Maryland to revoke the tax credit at any time, which can include a demand for repayment of the tax credit, if COMMERCE discovers any material mistake, misrepresentation, or fabrication during the verification process of an employer, and its eligibility for the Small Business Relief Tax Credit.

**Affidavit:** I solemnly affirm under the penalties of perjury and upon personal knowledge that the business applying for the Small Business Relief Tax Credit is not in default of any terms of a contract, loan, grant, or other agreement with the State of Maryland, or political subdivision in Maryland.

**Paid Sick and Safe Leave:** I solemnly affirm under the penalties of perjury and upon personal knowledge that all employees listed for the tax credit are paid at the employee’s standard hourly rate when taking sick and safe leave.

**Identifying Number of Employees:** To be eligible for the Small Business Relief Tax Credit a business must have 14 or fewer employees. The average monthly number of employees from the immediate previous year is used to identify the number of employees. Full-time, part-time, seasonal or temporary employees are to be included when determining average monthly number of employees.

<b>Signature of Employer / Employer’s Representative</b>	<b>Employer / Employer’s Representative Name (Print)</b>
Business Name:	Title
Phone:	Email:
Date:	

Contact Information (if different from above)	
<b>Name (Print):</b>	<b>Title:</b>
<b>Phone:</b>	<b>Email:</b>

Please submit the completed application, and All Supporting Documents) to:

Mark A. Vulcan, Esq., CPA  
Office of Finance Programs  
Program Manager, Tax Incentives  
Maryland Department of Commerce  
401 East Pratt Street, 17<sup>th</sup> Floor  
Baltimore, Maryland 21202

## Maryland Small Business Relief Tax Credit Application Instructions

Below are instructions for filling out the Maryland Small Business Relief Tax Credit Application.

The instructions are guidelines. You may download the Maryland Small Business Relief Tax Credit statute from the Maryland Department of Commerce (COMMERCE) website at: [commerce.maryland.gov/smallbusinessrelief](http://commerce.maryland.gov/smallbusinessrelief).

### Employer Information

- (1) Provide the full legal name of the employer / company, as it should appear on the tax credit certificate. If Maryland law requires the business entity to register with the State Department of Assessments and Taxation (SDAT), this name must be registered as a business entity in good standing. You may check the status of your business entity at: <https://egov.maryland.gov/businessexpress/entitysearch>
- (2) Indicate the type of business organization by checking a box.
  - a. Corporation
  - b. S-Corp, LLC
  - c. Partnership
  - d. Individual
  - e. LP, LLP
- (3) Provide the address of the business entity. This is the address the certificate will be mailed to unless otherwise noted on the application.
- (4) Provide the Federal Employer ID Number (FEIN)
- (5) Provide Unemployment Insurance (UI) Number, if applicable.
- (6) Provide the North American Industrial Classification Code (NAICS) of the business entity. More information on NAICS codes can be found at: <http://www.census.gov/eos/www/naics/index.html>
- (7) Provide the total number of employees.
- (8) Indicate the Tax Year that you will be claiming the credit. If you are a Fiscal Year taxpayer, provide the beginning and end of the Tax Year for which you are applying for the credit.
- (9) Provide a total amount of the requested tax credit from Column E of Section (1) on FORM B.

### Supporting Documentation

In order to claim the Small Business Relief Tax Credit, a small business must provide: (1) evidence of good standing with the State of Maryland; (2) evidence that the business is current with all tax obligations; (3) proof of wages paid to an employee; and (4) proof of the amount of paid sick and safe leave accrued by employees.

- (1) Evidence of Good Standing
  - Go to the Maryland Business Express website at: <https://egov.maryland.gov/BusinessExpress/EntitySearch>
  - Enter the business name in the search engine
  - Click on “View Business Detail” once the business has been found from the list of results from the search. A screen shot of the View Business Detail webpage may be submitted to demonstrate a business is in good standing.
  - If a small business is not required to register with the SDAT under Maryland law, then a written statement explaining the business is not required to register with SDAT should be submitted.
- (2) The Maryland Comptroller’s Office will provide a Good Standing Certificate for businesses that are current with all tax obligations. A Good Standing Certificate can be requested at:

[http://comptroller.marylandtaxes.gov/Vendor\\_Services/Accounting\\_Information/General\\_Information/Good\\_Standing\\_Certificate.shtml](http://comptroller.marylandtaxes.gov/Vendor_Services/Accounting_Information/General_Information/Good_Standing_Certificate.shtml)

The following documentation must be provided for each employee for whom the Small Business Relief Tax Credit is being claimed.

- (3) A copy of an employee's W-2 is used to verify wages paid by an employer. Please note that the tax credit may not be claimed for employees who earn more than 250% of the federal poverty level for an individual (currently \$30,350).
- (4) To demonstrate an employee is receiving paid sick or safe leave, a small business should submit a copy of the statement provided to the employee stating the amount of paid sick and safe leave used and accrued by the employee.

### **Employees Receiving Paid Sick and Safe Leave**

- (1) Provide the following information for each employee for whom a tax credit is being claimed:
  - A. Name
  - B. If the employee is a full-time, part-time, or temporary employee
  - C. The number of sick and safe leave hours the employee accrued in the tax year
  - D. The hourly wage paid to the employee
  - E. Multiply Column C by Column D to determine the amount of the tax credit and enter the amount in Column E. The amount in column E cannot exceed \$500. If the result of multiplying Column C by Column D is greater than \$500, then enter \$500 in Column E.
  - F. Calculate the total tax credit by adding together the tax credits for each employee in Column E.

Please contact Mark A. Vulcan at 410-767-6438 / [Mark.Vulcan@Maryland.gov](mailto:Mark.Vulcan@Maryland.gov) or Abigail McKnight at 410-767-7234/ [Abigail.mcknight@maryland.gov](mailto:Abigail.mcknight@maryland.gov) with any questions.