



One Maryland Tax Credit Application for Final Certification

Section I: Information about the Applicant

1) Business Name: _____	
2) Mailing Address: _____ _____	
3) (a) FEIN: _____	3) (b) UI Number: _____
4) Type of Entity : _____	
5) (a) Business NAICS Code: _____	5) (b) Facility NAICS Code (if different): _____
6) Do you pay: <input type="checkbox"/> Income Tax <input type="checkbox"/> Insurance Premiums Tax <input type="checkbox"/> Financial Institution Franchise Tax	
7) Beginning and End Date of Tax Year: _____	
8) Facility Address: _____ _____	

Section II: Information about the Project

9) Intent Date: _____	10) Effective Date of Start-up or Expansion: _____
11) County Project is located in: _____	
12) Located in a PFA (check all that apply): <input type="checkbox"/> State Enterprise Zone <input type="checkbox"/> Federal Empowerment Zone <input type="checkbox"/> Inside the I-495 or I-695 Beltways <input type="checkbox"/> Sustainable Community <input type="checkbox"/> Incorporated Municipality <input type="checkbox"/> County Designated PFA	
13) Project Commencement Date: _____	14) Project Completion Date: _____
15) Is the Project: <input type="checkbox"/> A New Facility <input type="checkbox"/> An Expansion	
16) (a) If the facility moved from within Maryland, provide the beginning and ending locations: From: _____ To: _____	
16) (b) If the facility moved from outside Maryland, provide the former location: _____	



One Maryland Tax Credit Application for Final Certification

17) Describe the facility used in the project:

☐ New construction ☐ Expansion of an existing facility

☐ Purchase an existing building (see instructions) ☐ Leasing a facility

☐ Other: _____

18) If the facility is being leased, how will project costs be paid? ☐ Cash ☐ Through the lease

19) If the facility is being leased, has Commerce reviewed and approved the lease costs? ☐ YES ☐ NO

20) What business activity will be primarily performed at the facility? (Check all that apply)

<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Forestry/Fishing	<input type="checkbox"/> Biotechnology
<input type="checkbox"/> Mining	<input type="checkbox"/> Research	<input type="checkbox"/> Central Financial Services
<input type="checkbox"/> Transportation	<input type="checkbox"/> Development	<input type="checkbox"/> Central Real Estate Services
<input type="checkbox"/> Communication	<input type="checkbox"/> Testing	<input type="checkbox"/> Central Insurance Services
<input type="checkbox"/> Public Utility	<input type="checkbox"/> Computer Related Services	<input type="checkbox"/> Company Headquarters
<input type="checkbox"/> Warehousing/Distribution	<input type="checkbox"/> Computer Programming	<input type="checkbox"/> Central Administrative Offices
<input type="checkbox"/> Agriculture	<input type="checkbox"/> Data Processing	<input type="checkbox"/> Business Services
<input type="checkbox"/> Filmmaking	<input type="checkbox"/> Resort	<input type="checkbox"/> Recreation Business

21) Describe the activities to be performed and/or the products made at the facility:

Section III: Wage and Capital Expense Information

22) Provide the number of qualified positions and aggregate wages made by the qualified positions per year.

Year						Total
Qualified Positions						
Aggregate Wages						

23) Do all new qualified positions pay at least 120% of State Minimum Wage? ☐ YES ☐ NO



One Maryland Tax Credit Application for Final Certification

24) Have all positions have been filled for at least 12 months?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
25) Provide the total eligible project costs incurred each year.		
Year		
Eligible Project Costs		
26) Total eligible project costs incurred to date: \$ _____		
27) Total capital expenditures related to project to date: \$ _____		
28) First year in which tax credit will be claimed: _____		

Section IV: Required Documentation

The business must submit information to support the qualified positions and eligible project costs claimed on this application by one of the two following methods.

OPTION 1: *Provide to Commerce the information requested in questions in #29 and #30.*

OPTION 2: *The business elects, at its own expense, to have an independent auditor to review and certify to Commerce the number of qualified positions and eligible project costs claimed in this application.*

29) Payroll records. Provide a schedule with the following information for each “qualified position” claimed: the employee’s full legal name, last four digits of social security number, hire date, termination date (if applicable), total hours worked per week, hourly rate, and year-to-date wages. *Commerce will verify the information provided using employment records from the Maryland Department of Labor (“Labor”).*

30) Project costs. Provide an itemized schedule for each project cost claimed in this application including the purchase date, vendor name, product name and description, product quantity, and cost. Commerce will request copies of **paid invoices and receipts**.

Section V: Opportunity Zone Enhancement Tax Credit Qualifications

31) The business may be eligible for enhanced tax credits under the Opportunity Zone Enhancement program. If the business answered “Yes” to all three questions, please submit an Addendum A to determine eligibility.

(a) Is the business located in an Opportunity Zone? ☐ YES ☐ NO

(b) Is the business a Qualified Opportunity Zone Business as defined in Internal Revenue Code § 1400Z-2?
☐ YES ☐ NO

(c) Did the business receive an investment from a Qualified Opportunity Zone Fund as defined in Internal Revenue Code § 1400Z-2?
☐ YES ☐ NO

Section VI: Release and Consent



One Maryland Tax Credit Application for Final Certification

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 Commerce is necessary in determining your eligibility. Failure to disclose this information may result in the denial of benefits or services. Availability of this information for public inspection is governed by the provisions of the Maryland Public Information Act, General Provisions Article, §§ 4-101 *et seq.* of the Annotated Code of Maryland. This information will be disclosed to appropriate staff of Commerce 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 employment levels before and after its qualification for the One Maryland Tax Credit.

Employment and Wage Data:

1) Periodically, the Maryland Department of Labor ("Labor"), in cooperation with the U. S. Department of Labor Statistics ("BLS"), collects employment and wage data from you and other employers who conduct business in the State of Maryland. This information, collected on the Multiple Worksite Report (BLS 3020) and the Annual Refiling Survey (BLS 3023), is kept confidential and may only be used by Commerce with your written consent. Commerce is requesting disclosure of this information in order to evaluate the effectiveness of Commerce's economic development programs and their impact on your company's employment level.

2) Approval for, and continued compliance with, the One Maryland Tax Credit Program requires that Commerce verifies your employment and wage data with Labor. Unless you select an independent auditor as provided in Section IV of this application, Commerce is requesting disclosure of your employment and wage data pursuant to the Data Sharing Agreement between Labor and Commerce to determine your program eligibility.

Consent: I give consent to Labor to release the information that our company provides on the BLS 3023 form and the BLS 3020 form to Commerce, for the purpose of evaluating the effectiveness of Commerce's economic development programs and their impact on our company's employment level. If I did not select an independent auditor as provided in Section IV of this application, I also give consent to Labor to release the information that our company provides on the Quarterly Contribution Reports to Commerce.

Audit: I understand that my application may be subject to a review by Commerce's internal audit department and that additional information may be requested.

Please return this form to: taxincentives.commerce@maryland.gov or:

Jason H. Sobel
Tax Specialist, Tax Incentives
One Maryland Tax Credit Program
Maryland Department of Commerce
401 East Pratt Street, 17th Floor
Baltimore, Maryland 21202



One Maryland Tax Credit Application for Final Certification

THIS FORM MUST BE SIGNED BY AN OWNER OR OFFICER OF THE BUSINESS CLAIMING THE CREDIT.

I verify that the business applying for Certification (1) is current in all State and local tax obligations; (2) is not in default in any State or local contract; and (3) is in good standing and authorized or registered to do business in the State.

I agree that the business applying for Certification will report to Commerce the amount of credit that it claims on its tax return for each tax year that it claims any portion of the credit. I acknowledge that failure to provide the information will disqualify the business from claiming any unused amount of the credit.

Under penalties of perjury, I declare that the information contained in this application, to the best of my knowledge and belief, it is true, correct and complete.

Date

Signature

Title

Print Name

CONTACT INFORMATION

Name: _____

Title: _____

Phone Number: _____

Email: _____



One Maryland Tax Credit Application for Final Certification

Instructions

These are the instructions for the One Maryland Tax Credit Application for Final Certification. You may download the One Maryland Tax Credit statute and regulations from our website:

<http://commerce.maryland.gov/fund/programs-for-businesses/one-maryland-tax-credit>

Section I: Information about the Applicant

- 1) Provide the full legal name of the entity, as it should appear on the 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) Provide the mailing address of the business entity.
- 3) Provide the Federal Employee Identification Number and Maryland Unemployment Insurance Number.
- 4) Provide the type of business entity, i.e. Corporation, Limited Liability Corporation, Sole Proprietorship.
- 5) Provide the North American Industrial Classification Code (NAICS) of the business entity, and if different, of the facility that will be creating the new positions. More information on NAICS codes can be found at: <http://www.census.gov/eos/www/naics/>
- 6) Indicate the type of tax the business entity pays.
- 7) Provide the beginning and end date of the business entity's tax year.
- 8) Provide the address of the facility where the business entity will be incurring the eligible project costs and creating new positions.

Section II: Information about the Project

- 9) Provide the date that the business declared its intent to claim the One Maryland Tax Credit. A business may only count project costs incurred and new qualified positions created after the intent date.
- 10) Provide the effective date of the start-up or expansion.
- 11) Provide the county that the project is located. The project must be in a "Tier 1 County" to qualify. Please verify with Commerce that the county your facility is located in is a Tier 1 County as this is subject to change.
- 12) The project must be located in a Priority Funding Area (PFA). Check off all areas that apply.
- 13) Provide the date that the business began the project. This includes purchasing land, beginning construction, etc. The business has 12 months from its intent date to start the project.
- 14) Provide the date that the project was completed. A business has three years from when it begins the project to complete it.
- 15) Check if the project is a new facility or the expansion of an existing facility.
- 16) a) If the facility moved from one location in Maryland to another, indicate from where to where. If the business moved from outside a Tier 1 County into a Tier 1 County, **the Secretary of Commerce must determine that the project did not have a deleterious effect on the jurisdiction the business left and if it qualifies for One Maryland.** b) If the business is moving from outside Maryland, indicate from where.
- 17) Check whether the project is a new construction, an expansion, a purchase of existing building, or a lease to an existing building. **If the eligible project costs include the purchase of an existing building, the Secretary of Commerce must determine that the building was vacant or underused prior to being purchased for that cost to qualify.**
- 18) If the business is leasing space, check if the costs will be paid out-of-pocket or through the lease.
- 19) **If the expenses will be paid through the lease, Commerce must approve the lease to determine if the costs are eligible project costs.** For more information, please contact Jason Sobel, Tax Specialist, Tax Incentives, Commerce at jason.sobel1@maryland.gov.



One Maryland Tax Credit Application for Final Certification

Section II: Information about the Project (continued)

- 20) To qualify a business must be primarily engaged in a qualified activity at the facility. This means at least 51 percent of its business must be in one or more of the activities listed. Check all activities that apply.
- 21) Provide a written description of the activities performed and products produced at the facility.

Section III: Wage and Capital Expense Information

- 22) In the chart, provide the total number of “qualified positions” the business created at the facility each year and the annual (12-month) wages of those positions. The business must create the minimum number of jobs (10, 25 or 50 jobs) within a 24 month period.
- 23) Verify that all new qualified positions will pay at least 120 percent of the prevailing State minimum wage.

<i>Effective date</i>	<i>State Minimum Wage</i>	<i>120% State Minimum Wage</i>
1/1/2020	\$11.00	\$13.20
1/1/2021	\$11.75	\$14.10
1/1/2022	\$12.50	\$15.00
1/1/2023	\$13.25	\$15.90
1/1/2024	\$14.00	\$16.80
1/1/2025	\$15.00	\$18.00

- 24) Verify that all positions have been filled for 12 months.
- 25) In the chart, provide the amount of eligible project costs and the year the costs were incurred.
- 26) Provide the total amount of eligible project costs.
 - a. For businesses that create 10-24 qualified positions: maximum \$1 million in credits.
 - b. For businesses that create 25-49 qualified positions: maximum \$2.5 million in credits.
 - c. For businesses that create at least 50 qualified positions: maximum \$5 million in credits.
- 27) Provide the total amount of capital expenditure related to the project.
- 28) Indicate the first tax year that the business will be claiming the credit.

Section IV: Required Documentation

Select whether you will provide Commerce with the information required in questions #29 and #30, or whether you will provide Commerce with a statement from an Independent CPA certifying the jobs, wages and eligible project costs. For those businesses providing a statement from an independent CPA, please see “Agreed Upon Procedures for Independent Auditor Verification.”

Section V: Opportunity Zone Enhancement Tax Credit Qualifications

- 31) Please refer to the application instructions to Addendum A for additional information.

If you have questions, please contact Jason Sobel at jason.sobel1@maryland.gov or Lani Sinfield at lani.sinfield1@maryland.gov.



One Maryland Tax Credit Application for Final Certification

Agreed Upon Procedures for Independent Auditor Verification

The applicant may elect, at its own expense, to have its jobs, wages, and eligible project costs certified by an independent auditor in place of providing the required documentation to Commerce as part of its Application for Final Certification.

The following procedures must be met if this election is made:

- 1) The independent auditor must be a licensed Certified Public Accountant ("CPA").
- 2) The CPA must review the One Maryland Tax Credit statute (Maryland Annotated Code, Economic Development Article, Sections 6-401 to 6-406), any related regulations, and other guidance provided by the Commerce which can be found on the Department of Commerce website.
- 3) The CPA must review the Application for Final Certification.
- 4) The CPA must review the applicant's employment and wage records, and certify the number of qualified positions and aggregate wages claimed each year after the Intent Date.
- 5) The CPA must review the applicant's records including any contracts, receipts and paid invoices, and certify the eligible project costs incurred after the Intent Date.
- 6) The certification must be in writing, attached to the Application for Final Tax Credit Certification, and including the following language:

"To **[Applicant]** and the Maryland Department of Commerce ('Commerce'):

We have performed the procedures enumerated in the attached Exhibit A below, which were agreed to by the **[Applicant]** and the Commerce, solely to assist you in evaluating the completeness and accuracy of the accompanying Application for Final Tax Credit Certification to the One Maryland Tax Credit. We followed these procedures to demonstrate compliance with the criteria specified by the Department for qualifying for the tax credit.

The Applicant is responsible for maintaining records of the information contained in Application for Final Tax Credit Certification. Our engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of these procedures except as may be separately specified.

The summary of procedures and associated findings are as set forth in our report herein attached. We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the completeness and accuracy of the accompanying Application for Final Tax Credit Certification. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Applicant and the State of Maryland and is not intended to be and should not be used by anyone other than these specified parties."