



MORE JOBS FOR MARYLANDERS REFUNDABLE STATE INCOME TAX CREDIT

Eligible new and existing Maryland manufacturers may qualify for a 10-year refundable State income tax credit through the More Jobs for Marylanders Tax Credit Program.

Benefit

The refundable State income tax credit is available to both new and existing eligible manufacturers. The credit is 5.75% of wages for each qualified position.

The benefit is available to new or existing manufacturers that locate in a Tier 1 County and to existing manufacturers that locate in a Tier 2 County.

Eligibility

Eligible businesses must meet the following requirements:

- New or existing MD manufacturer primarily engaged in manufacturing activities with NAICS code 31, 32 or 33 at the facility.
- Provide Notice of Intent and enroll its project in the program
- Offer ongoing job training or postsecondary education program.
- Be certified by Commerce as a Qualified Business Entity.
- Create at least 5 new qualified positions in a Tier 1 county.
- Create at least 10 new qualified positions in a Tier 2 county.
- Begin hiring within 12 months of its Notice of Intent to Commerce.
- Create the required 5 or 10 jobs within 12 months of its first hire.
- The business may not move its facility from one county to another after June 1, 2017.

Applying for Refundable State Income Tax Credit

After the business has submitted its Notice of Intent and received a Certificate of Approval that its project is enrolled in the More Jobs for Marylanders Tax Credit program, it is certified as a Qualified Business Entity and is eligible to apply for the State income tax credit. The process is as follows:

- Submit an Initial Tax Credit Application to Commerce at the start of the Fiscal Year stating how many qualified positions it projects it will create and fill for 12 months during that Fiscal Year.
- Commerce will issue the business an Initial Tax Credit Certificate with the maximum credit it may claim that fiscal year.

- When the positions have been filled for 12 months, the business will be required to submit a Final Tax Credit Application and Commerce will issue a Final Certificate to the business with the amount of tax credit it may claim on its tax return.
- Initial Tax Credit applications are accepted on a first-come, first-served basis and subject to available funding.

If the number of new qualified jobs at the manufacturing facility falls below the number of new jobs created in the first benefit year, all program benefits are terminated.

Program information can be found on Commerce's website:

<http://commerce.maryland.gov/fund/programs-for-businesses/more-jobs-for-marylanders>

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