

288.

(d) The following shall not be liable for the tax imposed by this section:

[(10) To the extent of the amount of wages for which an employer qualifies for reduction in workmen's compensation premiums and Unemployment Insurance Fund contributions under § 266KK(b) of Article 41 (relating to urban enterprise zones), income derived from the conduct of a trade or business in an urban enterprise zone.]

291A. CREDIT AGAINST TAX ALLOWED FOR QUALIFIED EMPLOYEES IN AN ENTERPRISE ZONE.

(A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:

(1) "BUSINESS ENTITY" MEANS A PERSON CONDUCTING OR OPERATING A TRADE OR BUSINESS;

(2) "ENTERPRISE ZONE" MEANS AN AREA DESIGNATED UNDER § 266KK-2 OF ARTICLE 41;

(3) "QUALIFIED EMPLOYEE" MEANS AN INDIVIDUAL:

(I) EMPLOYED AT LEAST -20- 25 HOURS PER WEEK BY A BUSINESS ENTITY FOR AT LEAST 6 MONTHS DURING THAT BUSINESS ENTITY'S TAXABLE YEARS; AND

(II) WHO SPENDS AT LEAST ONE-HALF OF THE HOURS FOR WHICH WAGES ARE PAID TO SUCH EMPLOYEE BY THE BUSINESS ENTITY DURING THAT BUSINESS ENTITY'S TAXABLE YEAR EITHER IN THE ENTERPRISE ZONE OR ON ACTIVITIES OF THE BUSINESS ENTITY RESULTING DIRECTLY FROM ITS LOCATION IN THE ENTERPRISE ZONE.

~~(4) -- "QUALIFIED WAGES" MEANS THE WAGES PAID TO A QUALIFIED EMPLOYEE, NOT EXCEEDING FOR EACH QUALIFIED EMPLOYEE:~~

~~(i) -- \$1,500 FOR PURPOSES OF SUBSECTION (B) (1) (i) AND (B) (2) (i);~~

~~(ii) -- \$1,000 FOR PURPOSES OF SUBSECTION (B) (2) (ii); AND~~

~~(iii) -- \$500 FOR PURPOSES OF SUBSECTION (B) (1) (ii) AND (B) (2) (iii);~~

(B) ANY BUSINESS ENTITY IN AN ENTERPRISE ZONE SHALL RECEIVE THE FOLLOWING CREDITS AGAINST THE TAX IMPOSED BY § 288 OF THIS ARTICLE.