

2. IS NOT HIRED TO REPLACE AN INDIVIDUAL WHO WAS EMPLOYED BY THE BUSINESS ENTITY IN THAT OR ANY PRECEDING TAXABLE YEAR; HOWEVER, IF THE QUALIFIED EMPLOYEE WAS HIRED TO REPLACE ANOTHER QUALIFIED EMPLOYEE FOR WHOM THE BUSINESS ENTITY RECEIVED A CREDIT UNDER PARAGRAPHS (1)(I) OR (2)(II) IN THE IMMEDIATELY PRECEDING TAXABLE YEAR, THEN THE BUSINESS ENTITY MAY TREAT THE NEW QUALIFIED EMPLOYEE AS THE REPLACEMENT FOR THE OTHER QUALIFIED EMPLOYEE TO DETERMINE ANY CREDIT THAT MAY BE AVAILABLE TO THE BUSINESS ENTITY UNDER PARAGRAPHS (2)(II) OR (2)(III)1.; AND

(II) UP TO \$1,000 OF THE WAGES PAID IN THE TAXABLE YEAR FOR WHICH THE CREDIT IS CLAIMED TO EACH QUALIFIED EMPLOYEE WHO IS AN ECONOMICALLY DISADVANTAGED INDIVIDUAL, IF THE BUSINESS ENTITY RECEIVED A CREDIT UNDER PARAGRAPH (1)(I) FOR THE QUALIFIED EMPLOYEE IN THE IMMEDIATELY PRECEDING TAXABLE YEAR; AND

(III) UP TO \$500 OF THE WAGES PAID IN THE TAXABLE YEAR FOR WHICH THE CREDIT IS CLAIMED TO EACH QUALIFIED EMPLOYEE WHO IS NOT HIRED TO REPLACE AN INDIVIDUAL WHO WAS EMPLOYED BY THE BUSINESS ENTITY IN THAT OR ANY PRECEDING TAXABLE YEAR AND WHO:

1. IS AN ECONOMICALLY DISADVANTAGED INDIVIDUAL, IF THE BUSINESS ENTITY RECEIVED A CREDIT UNDER PARAGRAPHS (1)(I) AND (2)(II) FOR THE QUALIFIED EMPLOYEE IN THE 2 IMMEDIATELY PRECEDING TAXABLE YEARS; OR

2. IS NOT AN ECONOMICALLY DISADVANTAGED INDIVIDUAL, IF THE QUALIFIED EMPLOYEE BECAME A QUALIFIED EMPLOYEE DURING THE TAXABLE YEAR TO WHICH THE CREDIT APPLIES.

(c) If the tax credits available under this section in any taxable year exceed the tax imposed by § 288 of this article for that taxable year, [such] THE excess may be applied by the business entity as a credit against the tax imposed by § 288 of this article for the next succeeding taxable year or until:

(1) All [such] THE excess is fully applied; or

(2) The expiration of the fifth taxable year from the date the qualified employee to which such credit first applies was hired by the business entity, whichever occurs first.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1983.

Approved May 31, 1983.
