

(iii) spends at least 50% of the hours under item (ii) of this paragraph, either in the enterprise zone or on activities of the business entity resulting directly from its location in the enterprise zone; and

(iv) is hired by the business entity after the later of:

1. the date on which the enterprise zone is designated; or
2. the date on which the business entity locates in the enterprise

zone.

(5) "Economically disadvantaged individual" means an individual who is certified by provisions that the Department of Economic and Employment Development adopts as an individual who, before becoming employed by a business entity in an enterprise zone:

(i) was both unemployed for at least 30 consecutive days and qualified to participate in training activities for the economically disadvantaged under Title II, Part B of the federal Job Training Partnership Act or its successor; or

(ii) in the absence of an applicable federal act, met the criteria for an economically disadvantaged individual that the Secretary of Economic and Employment Development sets.

(b) Any business entity that is located in an enterprise zone and satisfies the requirements of Article 83A, § 5-304 of the Code may claim a credit only against the State income tax for the wages specified in subsections (c) and (d) of this section that are paid in the taxable year for which the entity claims the credit.

(c) For the taxable year in which a business entity satisfies the requirements of Article 83A, § 5-304 of the Code, a credit is allowed that equals:

(1) up to \$1,500 of the wages paid to each qualified employee who:

(i) is an economically disadvantaged individual; and

(ii) is not hired to replace an individual whom the business entity employed in that or any of the 3 preceding taxable years; and

(2) up to \$500 of the wages paid to each qualified employee who:

(i) is not an economically disadvantaged individual; and

(ii) is not hired to replace an individual whom the business entity employed in that or any of the 3 preceding taxable years.

(d) (1) For each taxable year after the taxable year described in subsection (c) of this section, while the area is designated an enterprise zone, a credit is allowed that equals:

(i) up to \$1,500 of the wages paid to each qualified employee who:

1. is an economically disadvantaged individual;