

(II) IS UNABLE TO CONTINUE EMPLOYMENT DUE TO DEATH OR A DISABILITY; OR

(III) IS TERMINATED FOR CAUSE.

(4) A BUSINESS ENTITY MAY CLAIM A CREDIT REDUCED BY THE PROPORTION OF A YEAR THAT AN EMPLOYEE DID NOT WORK IF THE EMPLOYMENT IS LESS THAN A YEAR BECAUSE THE EMPLOYEE:

(I) VOLUNTARILY TERMINATES EMPLOYMENT WITH THE EMPLOYER;

(II) IS UNABLE TO CONTINUE EMPLOYMENT DUE TO DEATH OR A DISABILITY; OR

(III) IS TERMINATED FOR CAUSE.

(F) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE STATE INCOME TAX TOTAL TAX OTHERWISE PAYABLE BY THE BUSINESS ENTITY FOR THAT TAXABLE YEAR, A BUSINESS ENTITY MAY APPLY THE EXCESS AS A CREDIT ~~AGAINST THE STATE INCOME TAX~~ FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

(1) THE FULL AMOUNT OF THE EXCESS IS USED; OR

(2) THE EXPIRATION OF THE FIFTH TAXABLE YEAR AFTER THE TAXABLE YEAR IN WHICH THE WAGES OR QUALIFIED CHILD CARE EXPENSES FOR WHICH THE CREDIT IS CLAIMED ARE PAID.

(G) IF A CREDIT IS CLAIMED UNDER THIS SECTION, THE CLAIMANT MUST MAKE THE ADDITION REQUIRED IN § 10-205 OR § 10-306 OF ~~THIS TITLE~~ THE TAX - GENERAL ARTICLE.

(H) THE COMPTROLLER IN COOPERATION WITH THE DEPARTMENT OF ~~ECONOMIC AND EMPLOYMENT DEVELOPMENT~~ LABOR, LICENSING, AND REGULATION AND THE DEPARTMENT OF HUMAN RESOURCES SHALL ADMINISTER THE CREDIT UNDER THIS SECTION.

10-706.

~~(b) (1) A credit under § 10-701.1, [§ 10-702,] § 10-702, § 10-702.1, § 10-703, or § 10-704.1 of this subtitle is allowed against only the State income tax.~~

~~(2) The county income tax is based on the amount of State income tax before the State income tax is reduced by the credit.~~

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Fiscal Services, in cooperation with ~~Human Resources and the Department of Economic and Employment Development~~ Fiscal Services, using information from the Department of Human Resources, the Department of Labor, Licensing, and Regulation, the Comptroller, and appropriate representatives of private employers, and appropriate representatives of private employers, shall jointly conduct a study of the efficacy and effectiveness of the tax credit program established under this Act in increasing the employment and prospects for