

with the terms of the agreement. The Governor shall report to the Senate Budget and Taxation Committee and the House Ways and Means Committee of the Maryland General Assembly on or before September 15, 1998 on the status of reaching an agreement.

If an agreement has not been reached, the Governor shall include in the report alternatives to encourage agreement among the respective states, including but not limited to, increasing the amount of the job creation tax credit.

SECTION 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 1997.

SECTION 3. 8. AND BE IT FURTHER ENACTED, That, except as provided in Section 7 of this Act, this Act shall take effect July 1, 1996 and shall apply to all taxable years beginning after December 31, 1995 for all employees hired after January 1, 1996.

Article 83A – Department of Business and Economic Development

SUBTITLE 11. JOB CREATION TAX CREDIT.

5-1101.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "CENTRAL FINANCIAL, REAL ESTATE, OR INSURANCE SERVICES" MEANS THE PERFORMANCE OF CENTRAL MANAGEMENT OR ADMINISTRATIVE FUNCTIONS FOR A BUSINESS ENTITY ENGAGED IN FINANCIAL, REAL ESTATE, OR INSURANCE SERVICES, SUCH AS GENERAL MANAGEMENT, ACCOUNTING, COMPUTER TABULATING, DATA PROCESSING, PURCHASING, TRANSPORTATION OR SHIPPING, ADVERTISING, LEGAL, FINANCIAL, AND RESEARCH AND DEVELOPMENT.

(C) (1) "COMPANY HEADQUARTERS" MEANS A FACILITY WHERE THE MAJORITY OF A BUSINESS ENTITY'S FINANCIAL, PERSONNEL, LEGAL, AND PLANNING FUNCTIONS ARE HANDLED EITHER ON A REGIONAL OR NATIONAL BASIS.

(2) "COMPANY HEADQUARTERS" DOES NOT INCLUDE THE HEADQUARTERS OF A PROFESSIONAL SPORTS ORGANIZATION.

(D) "CREDIT YEAR" MEANS THE TAXABLE YEAR IN WHICH A QUALIFIED BUSINESS ENTITY CLAIMS THE CREDIT ALLOWED UNDER THIS SUBTITLE.

(E) "FULL-TIME POSITION" MEANS A POSITION REQUIRING AT LEAST 840 HOURS OF AN EMPLOYEE'S TIME DURING AT LEAST 24 WEEKS IN A 6-MONTH PERIOD.

(F) (1) "QUALIFIED BUSINESS ENTITY" MEANS A PERSON CONDUCTING OR OPERATING A TRADE OR BUSINESS IN MARYLAND WHO:

(I) IS ENGAGED IN AN ACTIVITY SPECIFIED IN § 5-1102(B)(2)(II) OF THIS SUBTITLE;

(II) DURING ANY 24-MONTH PERIOD CREATES: