

BY adding to

Article – Insurance

Section 6–105.1

Annotated Code of Maryland

(1995 Volume)

(As enacted by Chapter 36 of the Acts of the General Assembly of 1995)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article 48A – Insurance Code**

633.

AN INSURANCE COMPANY MAY CLAIM A CREDIT AGAINST THE PREMIUM TAX PAYABLE UNDER THIS SUBTITLE FOR WAGES PAID TO A QUALIFIED EMPLOYMENT OPPORTUNITY EMPLOYEE AND FOR CHILD CARE PROVIDED OR PAID BY THE INSURANCE COMPANY FOR THE CHILDREN OF A QUALIFIED EMPLOYMENT OPPORTUNITY EMPLOYEE AS PROVIDED UNDER ARTICLE 88A, § 56 OF THE CODE.

**Article 88A – Social Services Administration**

56.

(a) (1) In this section the following words have the meanings indicated.

(2) “Business entity” means a person conducting or operating a trade or business in Maryland.

(3) “Qualified child care expenses” means State regulated child care expenses that are incurred by a business entity to enable a qualified employment opportunity employee of the business to be gainfully employed.

(4) (i) “Qualified employment opportunity employee” means an individual who is a resident of Maryland and who ~~†~~ for ~~six~~ THREE months ~~IMMEDIATELY~~ before the individual’s employment with a business entity was a ~~Maryland resident and~~ a recipient of benefits from the State under the Aid to Families with Dependent Children Program AND WHO FOR SIX MONTHS BEFORE THE INDIVIDUAL’S EMPLOYMENT WITH A BUSINESS ENTITY WAS A MARYLAND RESIDENT.

(ii) “Qualified employment opportunity employee” does not include an individual who is the spouse of, or has any of the relationships specified in § 152(a)(1) through (8) of the Internal Revenue Code to, a person who controls, directly or indirectly, more than 50% of the ownership of the business entity.

(5) “Wages” means wages, within the meaning of § 51(c)(1), (2), and (3) of the Internal Revenue Code without regard to § 51(c)(4) of the Internal Revenue Code, that are paid by a business entity to an employee for services performed in a trade or business of the employer.

(b) (1) Except as provided in subsection (e) of this section, a business entity may claim a tax credit in the amounts determined under subsections (c) and (d) of this