

~~(H) THE EXPIRATION OF THE 5TH TAXABLE YEAR FROM THE DATE ON WHICH THE ORGANIZATION HIRED THE QUALIFIED EMPLOYEE TO WHOM THE CREDIT FIRST APPLIES.~~

~~(f) (1) [H] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF a credit is claimed under this section, the claimant must make the addition required in § 10-205, § 10-206, or § 10-306 of this title.~~

~~(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE.~~

~~10-906.~~

~~(a) Except as provided in § 10-907 of this subtitle, each employer or payer shall:~~

~~(1) withhold the income tax required to be withheld under § 10-908 of this subtitle; and~~

~~(2) pay to the Comptroller the income tax withheld for a period with the withholding return that covers the period.~~

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

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56.

(a) (2) “Business entity” means:

(I) [a] A person conducting or operating a trade or business in Maryland; OR

(II) AN ORGANIZATION OPERATING IN MARYLAND THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE.

(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 section for the wages and qualified child care expenses with respect to a qualified employment opportunity employee that are paid in the taxable year for which the business entity claims the credit.

(2) The same tax credit cannot be applied more than once against different taxes by the same taxpayer.

(f) If the credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the business entity for that taxable year, a business entity may apply the excess as a credit for succeeding taxable years until the earlier of:

(1) The full amount of the excess is used; or