

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1996.

May 23, 1996

The Honorable Thomas V. Mike Miller, Jr.  
President of the Senate  
State House  
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 558.

This bill establishes a job creation tax credit for specified categories of businesses that establish or expand a "major business facility" in the State. The Department of Business and Economic Development must certify that a business qualifies for the credit amount. In order to qualify the business must create at least 60 jobs for "qualified full-time employees" or at least 30 new jobs if the total payroll is greater than an equivalent of 60 jobs at the average State salary. A business cannot earn more than \$1 million in credits per year.

The Department of Business and Economic Development must annually report to the Governor and legislative committees by December 1, the businesses that are eligible. By January 1, 2000, the Department must also conduct a study on the impact of the job creation tax credits and report its findings to specified legislative committees.

House Bill 262, which was passed by the General Assembly and signed by me on April 30, 1996, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 558.

Sincerely,  
Parris N. Glendening  
Governor

**Senate Bill No. 558**

AN ACT concerning

**Jobs Creation Tax Credit Act of 1996**

~~FOR the purpose of allowing a credit against the State income tax, financial institution franchise tax, public service company franchise tax, and insurance premiums tax for the establishment or expansion of a major business facility in the State under certain circumstances; providing for calculation of the credit based on the number of new jobs created as a result of the establishment or expansion of the major business facility; limiting the credit allowed in any taxable year to the total tax otherwise payable for that taxable year; providing for the carry forward of unused credit; providing for recapture of the credit under certain circumstances; requiring the Comptroller to adopt certain regulations; requiring the Department of Business and~~