

2. the denominator of which is the total of all credits applied for by all applicants under subsection (b)(2) of this section in the calendar year.

(4) (I) FOR ANY CALENDAR YEAR, IF THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION EXCEEDS THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS AND CORPORATIONS UNDER SUBSECTION (B)(1) OF THIS SECTION, THE MAXIMUM SPECIFIED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION SHALL BE INCREASED FOR THAT CALENDAR YEAR BY AN AMOUNT EQUAL TO THE AMOUNT BY WHICH THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION EXCEEDS THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS AND CORPORATIONS UNDER SUBSECTION (B)(1) OF THIS SECTION.

(II) FOR ANY CALENDAR YEAR, IF THE MAXIMUM SPECIFIED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION EXCEEDS THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS AND CORPORATIONS UNDER SUBSECTION (B)(2) OF THIS SECTION, THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL BE INCREASED FOR THAT CALENDAR YEAR BY AN AMOUNT EQUAL TO THE AMOUNT BY WHICH THE MAXIMUM SPECIFIED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION EXCEEDS THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS AND CORPORATIONS UNDER SUBSECTION (B)(2) OF THIS SECTION.

[(4)] (5) By December 15 of the calendar year following the end of the taxable year in which the Maryland qualified research and development expenses were incurred, the Department shall certify to the individual or corporation the amount of the research and development tax credits approved by the Department for the individual or corporation under subsection (b)(1) and (2) of this section.

[(5)] (6) To claim the approved credits allowed under this section, an individual or corporation shall:

- (i) file an amended income tax return for the taxable year in which the Maryland qualified research and development expense was incurred; and
- (ii) attach a copy of the Department's certification of the approved credit amount to the amended income tax return.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2001, and shall be applicable to all taxable years beginning after December 31, 1999.

Approved April 20, 2001.