

(i) is a new employee or an employee rehired after being laid off for more than 1 year by a business entity;

(ii) is employed by a business entity at least 35 hours each week for at least 12 months before or during the taxable year for which the entity claims a credit;

(iii) spends at least 50 percent of the hours under item (ii) of this paragraph either in the focus area or on activities of the business entity resulting directly from its location in the focus area;

(iv) is hired by the business entity after the later of:

1. the date on which the focus area is designated; or
2. the date on which the business entity located in the focus area; and

(v) earns at least 150 percent of the federal minimum wage.

(b) (1) Any business entity that is located in an enterprise zone and satisfies the requirements of Article 83A, § 5-404 of the Code may claim a credit only against the State income tax for the wages specified in subsections (c) and (d) of this section that are paid in the taxable year for which the entity claims the credit.

(2) A business entity that is located in a focus area and satisfies the requirements of Article 83A, § 5-404 of the Code may claim a credit only against the State income tax for the wages specified in subsection (e) of this section that are paid to a focus area employee in the taxable year for which the entity claims the credit.

(3) An organization that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code may apply the credit under this section as a credit against income tax due on unrelated business taxable income as provided under §§ 10-304 and 10-812 of this title.

(c) If a business entity does not claim an enhanced tax credit under subsection (e) of this section for a focus area employee, for the taxable year in which a business entity satisfies the requirements of Article 83A, § 5-404 of the Code, a credit is allowed that equals:

(1) up to **[\$1,500]** \$3,000 of the wages paid to each qualified employee who:

(i) is an economically disadvantaged individual; and

(ii) is not hired to replace an individual whom the business entity employed in that or any of the 3 preceding taxable years; and

(2) up to **[\$500]** \$1,000 of the wages paid to each qualified employee who:

(i) is not an economically disadvantaged individual; and

(ii) is not hired to replace an individual whom the business entity employed in that or any of the 3 preceding taxable years.