

(B) (1) 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:

(I) AS A CREDIT AGAINST INCOME TAX DUE ON UNRELATED BUSINESS TAXABLE INCOME AS PROVIDED UNDER §§ 10-304 AND 10-812 OF THIS TITLE; OR

(II) AS A CREDIT FOR THE PAYMENT TO THE COMPTROLLER OF TAXES THAT THE ORGANIZATION:

1. IS REQUIRED TO WITHHOLD FROM THE WAGES OF EMPLOYEES UNDER § 10-908 OF THIS TITLE; AND

2. IS REQUIRED TO PAY TO THE COMPTROLLER UNDER § 10-906(A) OF THIS TITLE.

(2) IF THE CREDIT ALLOWED UNDER THIS SUBSECTION IN ANY TAXABLE YEAR EXCEEDS THE SUM OF THE STATE INCOME TAX OTHERWISE PAYABLE BY THE ORGANIZATION FOR THAT TAXABLE YEAR AND THE TAXES THAT THE ORGANIZATION HAS WITHHELD FROM THE WAGES OF EMPLOYEES AND IS REQUIRED TO PAY TO THE COMPTROLLER UNDER § 10-906(A) OF THIS TITLE FOR THE TAXABLE YEAR, THE ORGANIZATION MAY APPLY THE EXCESS AS A CREDIT UNDER PARAGRAPH (1)(I) OR (II) OF THIS SUBSECTION IN SUCCEEDING TAXABLE YEARS FOR THE CARRY FORWARD PERIOD PROVIDED IN ~~§ 2-404 OF THE CORRECTIONAL SERVICES~~ § 11-704 OF THE LABOR AND EMPLOYMENT ARTICLE.

(3) THE COMPTROLLER SHALL ADOPT REGULATIONS TO PROVIDE PROCEDURES FOR CLAIMING AND APPLYING CREDITS AUTHORIZED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION.

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

Article - Tax - General

10-205.

(b) The addition under subsection (a) of this section includes the amount of a credit claimed under:

(1) § 10-702 of this title for wages paid to an employee in an enterprise zone;

(2) § 10-704.3 of this title or § 8-213 of this article for wages paid and qualified child care or transportation expenses incurred with respect to qualified employment opportunity employees; [or]

(3) § 10-704.7 of this title or § 8-216 of this article for wages paid and qualified child care or transportation expenses incurred with respect to a qualified employee with a disability; OR