

(b) (1) Except as otherwise provided in this section, for the taxable year in which a certified rehabilitation is completed, a business entity or an individual may claim a tax credit in an amount equal to 20% of the taxpayer's qualified rehabilitation expenditures for the rehabilitation.

(2) The State tax credit allowed under this section may be allocated among the partners, members, or shareholders of an entity in any manner agreed to by those persons in writing.

(3) (i) For any rehabilitation, the State tax credit allowed under this section may not exceed \$3,000,000.

(ii) For the purposes of the limitation under subparagraph (i) of this paragraph, the following shall be treated as a single rehabilitation:

1. The phased rehabilitation of the same structure or property;

2. The separate rehabilitation of different components of the same structure or property; or

3. The rehabilitation of multiple structures that are functionally related to serve an overall purpose.

(4) The same tax credit may not be applied more than once against different taxes.

(c) If the credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the business entity or the individual for that taxable year, the business entity or individual may claim a refund in the amount of the excess.

(d) (1) The Director and the Maryland Heritage Areas Authority may adopt regulations to establish procedures and standards for certifying heritage structures and rehabilitations under this section.

(2) The Director may not certify that a rehabilitation is a certified rehabilitation eligible for the tax credit under this section unless the individual or business entity seeking certification states under oath the amount of the individual's or business entity's qualified rehabilitation expenditures.

(e) (1) In this subsection, "disqualifying work" means work that:

(i) Is performed on a certified heritage structure for which a rehabilitation has been certified under this section; and

(ii) If performed as part of the rehabilitation certified under this section, would have made the rehabilitation ineligible for certification.

(2) Except as provided in paragraph (4) of this subsection, the credit allowed under this section shall be recaptured as provided in paragraph (3) of this subsection if, during the taxable year in which a certified rehabilitation is completed or any of the 4 taxable years succeeding the taxable year in which the certified