

period selected by the individual or business entity ending with or within the taxable year, exceed:

- (i) for owner-occupied residential property, \$5,000; or
- (ii) for all other property, the greater of:
 - 1. the adjusted basis of the structure; or
 - 2. \$5,000.

(b) (1) The Director shall adopt regulations to:

(i) establish procedures and standards for certifying heritage structures and rehabilitations under this section;

(ii) for commercial rehabilitations, establish an application process for the award of initial credit certificates for Maryland heritage structure rehabilitation tax credits consistent with the requirements of this subsection; [and]

(III) FOR COMMERCIAL REHABILITATIONS, ESTABLISH CRITERIA, CONSISTENT WITH THE REQUIREMENTS OF THIS SUBSECTION, FOR EVALUATING, COMPARING, AND RATING PLANS OF PROPOSED REHABILITATION THAT HAVE BEEN DETERMINED BY THE DIRECTOR TO CONFORM WITH THE REHABILITATION STANDARDS OF THE UNITED STATES SECRETARY OF THE INTERIOR; AND

[(iii)] (IV) for commercial rehabilitations, establish a competitive award process for the award of initial credit certificates for Maryland heritage structure rehabilitation tax credits that:

1. [ensures tax credits are awarded in a manner that reflects the geographic diversity of the State] **FAVORS THE AWARD OF TAX CREDITS FOR REHABILITATION PROJECTS LOCATED IN JURISDICTIONS THAT HAVE BEEN HISTORICALLY UNDERREPRESENTED IN THE AWARD OF TAX CREDITS FOR COMMERCIAL REHABILITATIONS, BASED ON THE NUMBER OF NATIONAL REGISTER STRUCTURES IN EACH JURISDICTION;**

2. favors the award of tax credits for rehabilitation projects that are consistent with and promote current growth and development policies and programs of the State; and

3. A. favors the award of tax credits for structures that are listed in the National Register of Historic Places or are designated as historic