

(2) (i) child care provided or paid for by a business entity for the children of a qualified employee with a disability as provided under § 21-309 of the Education Article; or

(ii) transportation provided or paid for by the business entity for a qualified employee with a disability as provided under § 21-309 of the Education Article.

(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. ~~HAS WITHHELD 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 CARRYFORWARD PERIOD PROVIDED IN § 21-309 OF THE EDUCATION ARTICLE.

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

SECTION 3. AND BE IT FURTHER ENACTED, That the taking effect of Section 1 of this Act is contingent on the taking effect of ~~legislation during the 1998 Session of the General Assembly extending the effectiveness of Chapter 492 of the Acts of 1995 Chapter 599 (S.B. 292/H.B. 565) of the Acts of the General Assembly of 1998, and if such legislation Chapter 599 does not become effective, Section 1 of this Act shall be null and void without the necessity of further action by the General Assembly.~~

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to Section 3 of this Act, this Act shall take effect July 1, 1998; provided, however, that only credits with respect to employees hired on or after July 1, 1998 may be applied against the payment to the Comptroller of taxes that an organization has withheld from the wages of employees in accordance with §§ 10-704.3(b)(1)(ii) and 10-704.7(b)(1)(ii) of the Tax - General Article as enacted under this Act.

Approved May 21, 1998.