

HOUSE BILL 1232

Q3

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By: **Delegate Queen**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credits – Employer Child Care Centers and Employer–Provided**
3 **Child Care Services**

4 FOR the purpose of authorizing a credit against the State income tax, under certain
5 circumstances, for certain taxpayers who incur certain qualified expenses for certain
6 costs to purchase or acquire certain qualified child care property or who, during the
7 taxable year, incur certain operational costs to provide child care services for the
8 taxpayer's employees or to compensate certain child care providers; providing that
9 the credit may not exceed a certain amount; allowing for the carryforward of the
10 credit under certain circumstances; providing for the calculation of the credit;
11 requiring the State Department of Education, on application of a taxpayer, to issue
12 a tax credit certificate under certain circumstances; requiring the application to
13 contain certain information; requiring the Department to approve applications on a
14 first–come, first–served basis and notify applicants of approval or denial of an
15 application within a certain number of days after receipt of the application; providing
16 that the total amount of tax credit certificates issued by the Department may not
17 exceed a certain amount for each fiscal year; providing that tax credit certificate
18 amounts not issued during a fiscal year may be carried over and issued during the
19 next fiscal year; establishing the Employer Child Care Center Tax Credit Reserve
20 Fund and the Employer–Provided Child Care Services Tax Credit Reserve Fund as
21 special, nonlapsing funds; requiring the Governor to include appropriations for each
22 reserve fund in the annual budget bill; authorizing the payment of certain
23 administrative costs from each reserve fund; providing for the investment of money
24 in and expenditures from each reserve fund; specifying the contents of each reserve
25 fund; requiring the Comptroller to transfer certain amounts from each reserve fund
26 to the General Fund of the State under certain circumstances; requiring the
27 Comptroller to transfer certain amounts from each reserve fund to the Department
28 for certain purposes; requiring the Department to report certain information to the
29 General Assembly on or before a certain date each year; authorizing the Department,
30 in consultation with the Comptroller, to adopt regulations providing for the
31 recapture of certain credits under this Act under certain circumstances; requiring

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



the Department to adopt certain regulations; defining certain terms; providing for the application of this Act; and generally relating to certain credits against the State income tax for employer child care centers and employer-provided child care services.

BY adding to

Article – Tax – General

Section 10–751 and 10–752

Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Tax – General

10–751.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “CHILD CARE CENTER” HAS THE MEANING STATED IN § 9.5–401 OF THE EDUCATION ARTICLE.

(3) “DEPARTMENT” MEANS THE STATE DEPARTMENT OF EDUCATION.

(4) “QUALIFIED CHILD CARE PROPERTY” MEANS ALL REAL OR TANGIBLE PERSONAL PROPERTY PURCHASED OR ACQUIRED OR FIRST PLACED IN SERVICE ON OR AFTER JULY 1, 2020, FOR USE EXCLUSIVELY IN THE CONSTRUCTION, EXPANSION, IMPROVEMENT, OR OPERATION OF A CHILD CARE CENTER IF:

(I) THE TAXPAYER WHO OWNS THE PROPERTY IS LICENSED TO OPERATE THE CHILD CARE CENTER IN ACCORDANCE WITH TITLE 9.5, SUBTITLE 4 OF THE EDUCATION ARTICLE;

(II) AT LEAST 95% OF THE CHILDREN FOR WHOM CHILD CARE SERVICES ARE PROVIDED AT THE CHILD CARE CENTER ARE CHILDREN OF EMPLOYEES OF:

1. THE TAXPAYER WHO OWNS THE PROPERTY OR ANOTHER EMPLOYER IN THE EVENT THAT THE CHILD CARE CENTER IS OWNED JOINTLY OR SEVERALLY BY THE TAXPAYER AND ANOTHER EMPLOYER; OR

1 2. A CORPORATION THAT IS A MEMBER OF THE
2 TAXPAYER WHO OWNS THE PROPERTY'S AFFILIATED GROUP, AS DEFINED IN §
3 1504(A) OF THE INTERNAL REVENUE CODE; AND

4 (III) THE TAXPAYER WHO OWNS THE PROPERTY HAS NOT
5 CLAIMED ANY TAX CREDIT FOR THE COST OF OPERATING THE PROPERTY FOR A
6 TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019.

7 (5) (I) "RECAPTURE EVENT" MEANS THE SALE OR TRANSFER OF
8 QUALIFIED CHILD CARE PROPERTY BY THE TAXPAYER, OR ANY OTHER EVENT OR
9 CIRCUMSTANCE UNDER WHICH THE PROPERTY CEASES TO BE QUALIFIED CHILD
10 CARE PROPERTY OWNED BY THE TAXPAYER.

11 (II) "RECAPTURE EVENT" DOES NOT INCLUDE:

12 1. A TRANSFER BY REASON OF DEATH;

13 2. A TRANSFER BETWEEN SPOUSES OR INCIDENTAL TO
14 DIVORCE;

15 3. A TRANSACTION TO WHICH § 381(A) OF THE
16 INTERNAL REVENUE CODE APPLIES;

17 4. A CHANGE IN THE FORM OF CONDUCTING THE
18 TAXPAYER'S TRADE OR BUSINESS SO LONG AS THE PROPERTY IS RETAINED IN THAT
19 TRADE OR BUSINESS AS QUALIFIED CHILD CARE PROPERTY AND THE TAXPAYER
20 RETAINS A SUBSTANTIAL INTEREST IN THAT TRADE OR BUSINESS; OR

21 5. AN ACCIDENT OR A CASUALTY.

22 (6) "RESERVE FUND" MEANS THE EMPLOYER CHILD CARE CENTER
23 TAX CREDIT RESERVE FUND.

24 (B) (1) A TAXPAYER MAY CLAIM A CREDIT AGAINST THE STATE INCOME
25 TAX IN AN AMOUNT EQUAL TO ONE-TENTH OF THE AMOUNT STATED ON THE TAX
26 CREDIT CERTIFICATE ISSUED UNDER SUBSECTION (C) OF THIS SECTION FOR THE
27 TAXABLE YEAR IN WHICH THE TAXPAYER FIRST PLACES IN SERVICE QUALIFIED
28 CHILD CARE PROPERTY AND FOR EACH OF THE 9 TAXABLE YEARS FOLLOWING THAT
29 TAXABLE YEAR.

30 (2) (I) THE TOTAL AMOUNT OF THE CREDIT ALLOWED UNDER THIS
31 SECTION FOR ANY TAXABLE YEAR MAY NOT EXCEED 50% OF THE STATE INCOME TAX
32 IMPOSED FOR THE TAXABLE YEAR.

(II) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TOTAL TAX OTHERWISE DUE FROM THE TAXPAYER FOR A TAXABLE YEAR, THE TAXPAYER MAY APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

1. THE DATE ON WHICH THE FULL AMOUNT OF THE EXCESS IS USED; OR

2. THE EXPIRATION OF THE THIRD TAXABLE YEAR AFTER THE APPLICABLE CREDIT YEAR.

(3) FOR EACH YEAR IN WHICH A TAXPAYER CLAIMS THE CREDIT UNDER THIS SECTION, THE TAXPAYER SHALL ATTACH TO THE TAXPAYER'S INCOME TAX RETURN THE FOLLOWING INFORMATION:

(I) A DESCRIPTION OF THE CHILD CARE CENTER;

(II) THE AMOUNT OF THE TAX CREDIT CLAIMED FOR THE TAXABLE YEAR;

(III) THE AMOUNT OF THE TAX CREDIT CLAIMED BY THE TAXPAYER IN PREVIOUS TAXABLE YEARS;

(IV) THE AMOUNT OF THE TAX CREDIT CARRIED FORWARD FROM PREVIOUS TAXABLE YEARS;

(V) THE AMOUNT OF THE TAX CREDIT TO BE CARRIED FORWARD TO SUBSEQUENT TAXABLE YEARS; AND

(VI) A DESCRIPTION OF ANY RECAPTURE EVENT OCCURRING DURING THE TAXABLE YEAR.

(C) (1) ON APPLICATION BY A TAXPAYER, THE DEPARTMENT SHALL ISSUE A CREDIT CERTIFICATE IN THE AMOUNT OF 100% OF THE COSTS INCURRED BY THE TAXPAYER TO PURCHASE OR ACQUIRE QUALIFIED CHILD CARE PROPERTY.

(2) THE APPLICATION SHALL CONTAIN:

(I) THE NAME OF THE TAXPAYER;

(II) THE LOCATION AND LICENSING INFORMATION OF THE CHILD CARE CENTER;

1 (III) PROOF OF THE COSTS TO PURCHASE OR ACQUIRE THE
2 QUALIFIED CHILD CARE PROPERTY INCURRED BY THE TAXPAYER DURING THE
3 TAXABLE YEAR; AND

4 (IV) ANY OTHER INFORMATION THAT THE DEPARTMENT
5 REQUIRES.

6 (3) THE DEPARTMENT SHALL:

7 (I) APPROVE ALL APPLICATIONS THAT QUALIFY FOR A TAX
8 CREDIT CERTIFICATE UNDER THIS SUBSECTION ON A FIRST-COME, FIRST-SERVED
9 BASIS; AND

10 (II) NOTIFY A TAXPAYER WITHIN 45 DAYS AFTER RECEIPT OF
11 THE APPLICATION OF ITS APPROVAL OR DENIAL.

12 (4) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH,
13 FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE TAX CREDIT
14 CERTIFICATES FOR CREDIT AMOUNTS IN THE AGGREGATE TOTALING MORE THAN
15 THE AMOUNT APPROPRIATED FOR THE RESERVE FUND FOR THAT FISCAL YEAR IN
16 THE STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

17 (II) IF THE AGGREGATE CREDIT AMOUNTS UNDER TAX CREDIT
18 CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE AMOUNT
19 APPROPRIATED FOR THE RESERVE FUND FOR THAT FISCAL YEAR, ANY EXCESS
20 AMOUNT SHALL REMAIN IN THE RESERVE FUND AND MAY BE ISSUED UNDER TAX
21 CREDIT CERTIFICATES FOR THE NEXT FISCAL YEAR.

22 (III) FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM
23 THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW OTHER
24 THAN UNDER SUBSECTION (E) OF THIS SECTION, THE MAXIMUM CREDIT AMOUNTS
25 IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE TAX CREDIT
26 CERTIFICATES SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.

27 (5) FOR EACH FISCAL YEAR, THE GOVERNOR SHALL INCLUDE IN THE
28 ANNUAL BUDGET BILL AN APPROPRIATION FOR THE RESERVE FUND.

29 (6) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE STATE
30 FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT REDUCE AN
31 APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED BY
32 THE GENERAL ASSEMBLY.

(D) THE DEPARTMENT, IN CONSULTATION WITH THE COMPTROLLER, MAY ADOPT REGULATIONS PROVIDING FOR THE RECAPTURE OF THE TAX CREDITS ALLOWED UNDER THIS SECTION IF A RECAPTURE EVENT OCCURS WITH RESPECT TO QUALIFIED CHILD CARE PROPERTY.

(E) (1) (I) THERE IS AN EMPLOYER CHILD CARE CENTER TAX CREDIT RESERVE FUND THAT IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(II) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED AND REINVESTED BY THE STATE TREASURER, AND INTEREST EARNINGS SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.

(III) THE MONEY IN THE RESERVE FUND MAY BE USED BY THE DEPARTMENT TO PAY THE COSTS OF ADMINISTERING THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.

(2) (I) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY APPROPRIATED FOR THE RESERVE FUND SHALL REMAIN IN THE RESERVE FUND.

(II) 1. WITHIN 15 DAYS AFTER THE END OF EACH CALENDAR QUARTER, THE DEPARTMENT SHALL NOTIFY THE COMPTROLLER AS TO EACH CREDIT CERTIFICATE ISSUED DURING THE QUARTER.

2. ON NOTIFICATION THAT A CREDIT AMOUNT HAS BEEN CERTIFIED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO THE CREDIT AMOUNT STATED IN THE TAX CREDIT CERTIFICATE FROM THE RESERVE FUND TO THE GENERAL FUND OF THE STATE.

(III) 1. PERIODICALLY, BUT NOT MORE FREQUENTLY THAN QUARTERLY, THE DEPARTMENT MAY SUBMIT INVOICES FOR COSTS THAT HAVE BEEN INCURRED OR ARE ANTICIPATED TO BE INCURRED FOR THE ADMINISTRATION OF THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.

2. THE COMPTROLLER SHALL TRANSFER MONEY FROM THE RESERVE FUND TO THE DEPARTMENT TO PAY FOR COSTS THAT HAVE BEEN INCURRED OR ARE ANTICIPATED TO BE INCURRED FOR THE ADMINISTRATION OF THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.

(F) ON OR BEFORE JANUARY 31 EACH YEAR, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE UTILIZATION OF THE CREDIT AUTHORIZED UNDER THIS SECTION.

(G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION, INCLUDING THE CRITERIA AND PROCEDURES FOR APPLICATION FOR AND APPROVAL OF ELIGIBILITY FOR THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.

10-752.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "CHILD CARE PROVIDER" HAS THE MEANING STATED IN § 9.5-601 OF THE EDUCATION ARTICLE.

(3) "DEPARTMENT" MEANS THE STATE DEPARTMENT OF EDUCATION.

(4) "OPERATIONAL COSTS" DOES NOT INCLUDE COSTS TO OPERATE ANY PROPERTY OF A CHILD CARE PROVIDER OR TAXPAYER.

(5) "RESERVE FUND" MEANS THE EMPLOYER-PROVIDED CHILD CARE SERVICES TAX CREDIT RESERVE FUND.

(6) "TAXPAYER" DOES NOT INCLUDE AN INDIVIDUAL WHO IS SELF-EMPLOYED.

(B) (1) A TAXPAYER MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT STATED ON THE TAX CREDIT CERTIFICATE ISSUED UNDER SUBSECTION (C) OF THIS SECTION FOR REASONABLE, DIRECT OPERATIONAL COSTS INCURRED BY THE TAXPAYER TO:

(I) PROVIDE CHILD CARE SERVICES FOR THE TAXPAYER'S EMPLOYEES ON THE TAXPAYER'S PREMISES; OR

(II) COMPENSATE A CHILD CARE PROVIDER WHO PROVIDES CHILD CARE SERVICES FOR THE TAXPAYER'S EMPLOYEES.

(2) (I) THE TOTAL AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION FOR ANY TAXABLE YEAR MAY NOT EXCEED 50% OF THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR.

(II) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TOTAL TAX OTHERWISE DUE FROM THE TAXPAYER FOR A TAXABLE YEAR, THE

TAXPAYER MAY APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING TAXABLE YEARS
UNTIL THE EARLIER OF:

1. THE DATE ON WHICH THE FULL AMOUNT OF THE
EXCESS IS USED; OR

2. THE EXPIRATION OF THE FIFTH TAXABLE YEAR AFTER
THE APPLICABLE CREDIT YEAR.

(c) (1) ON APPLICATION BY A TAXPAYER, THE DEPARTMENT SHALL
ISSUE A CREDIT CERTIFICATE IN THE AMOUNT OF 75% OF THE REASONABLE, DIRECT
OPERATIONAL COSTS INCURRED BY THE TAXPAYER FOR THAT TAXABLE YEAR, LESS
ANY AMOUNTS PAID BY THE TAXPAYER'S EMPLOYEES FOR THE PROVISION OF CHILD
CARE SERVICES.

(2) THE APPLICATION SHALL CONTAIN:

(I) THE NAME OF THE TAXPAYER;

(II) PROOF OF THE EXPENSES INCURRED BY THE TAXPAYER
DURING THE TAXABLE YEAR TO PROVIDE CHILD CARE SERVICES FOR THE
TAXPAYER'S EMPLOYEES ON THE TAXPAYER'S PREMISES OR COMPENSATE A CHILD
CARE PROVIDER TO PROVIDE CHILD CARE SERVICES FOR THE TAXPAYER'S
EMPLOYEES; AND

(III) ANY OTHER INFORMATION THAT THE DEPARTMENT
REQUIRES.

(3) THE DEPARTMENT SHALL:

(I) APPROVE ALL APPLICATIONS THAT QUALIFY FOR A TAX
CREDIT CERTIFICATE UNDER THIS SUBSECTION ON A FIRST-COME, FIRST-SERVED
BASIS; AND

(II) NOTIFY A TAXPAYER WITHIN 45 DAYS AFTER RECEIPT OF
THE APPLICATION OF ITS APPROVAL OR DENIAL.

(4) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH,
FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE TAX CREDIT
CERTIFICATES FOR CREDIT AMOUNTS IN THE AGGREGATE TOTALING MORE THAN
THE AMOUNT APPROPRIATED TO THE RESERVE FUND FOR THAT FISCAL YEAR IN
THE STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

1 **(II) IF THE AGGREGATE CREDIT AMOUNTS UNDER TAX CREDIT**
2 **CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE AMOUNT**
3 **APPROPRIATED TO THE RESERVE FUND FOR THAT FISCAL YEAR, ANY EXCESS**
4 **AMOUNT SHALL REMAIN IN THE RESERVE FUND AND MAY BE ISSUED UNDER TAX**
5 **CREDIT CERTIFICATES FOR THE NEXT FISCAL YEAR.**

6 **(III) FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM**
7 **THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW OTHER**
8 **THAN UNDER SUBSECTION (D) OF THIS SECTION, THE MAXIMUM CREDIT AMOUNTS**
9 **IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE TAX CREDIT**
10 **CERTIFICATES SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.**

11 **(5) FOR EACH FISCAL YEAR, THE GOVERNOR SHALL INCLUDE IN THE**
12 **ANNUAL BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND.**

13 **(6) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE STATE**
14 **FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT REDUCE AN**
15 **APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED BY**
16 **THE GENERAL ASSEMBLY.**

17 **(D) (1) (I) THERE IS AN EMPLOYER-PROVIDED CHILD CARE**
18 **SERVICES TAX CREDIT RESERVE FUND THAT IS A SPECIAL, NONLAPSING FUND**
19 **THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT**
20 **ARTICLE.**

21 **(II) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED**
22 **AND REINVESTED BY THE STATE TREASURER, AND INTEREST EARNINGS SHALL BE**
23 **CREDITED TO THE GENERAL FUND OF THE STATE.**

24 **(III) THE MONEY IN THE RESERVE FUND MAY BE USED BY THE**
25 **DEPARTMENT TO PAY THE COSTS OF ADMINISTERING THE TAX CREDIT AUTHORIZED**
26 **UNDER THIS SECTION.**

27 **(2) (I) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY**
28 **APPROPRIATED FOR THE RESERVE FUND SHALL REMAIN IN THE RESERVE FUND.**

29 **(II) 1. WITHIN 15 DAYS AFTER THE END OF EACH CALENDAR**
30 **QUARTER, THE DEPARTMENT SHALL NOTIFY THE COMPTROLLER AS TO EACH**
31 **CREDIT CERTIFICATE ISSUED DURING THE QUARTER.**

32 **2. ON NOTIFICATION THAT A CREDIT AMOUNT HAS BEEN**
33 **CERTIFIED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO THE**
34 **CREDIT AMOUNT STATED IN THE TAX CREDIT CERTIFICATE FROM THE RESERVE**

1 **FUND TO THE GENERAL FUND OF THE STATE.**

2 **(III) 1. PERIODICALLY, BUT NOT MORE FREQUENTLY THAN**
3 **QUARTERLY, THE DEPARTMENT MAY SUBMIT INVOICES FOR COSTS THAT HAVE**
4 **BEEN INCURRED OR ARE ANTICIPATED TO BE INCURRED FOR THE ADMINISTRATION**
5 **OF THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.**

6 **2. THE COMPTROLLER SHALL TRANSFER MONEY FROM**
7 **THE RESERVE FUND TO THE DEPARTMENT TO PAY FOR COSTS THAT HAVE BEEN**
8 **INCURRED OR ARE ANTICIPATED TO BE INCURRED FOR THE ADMINISTRATION OF**
9 **THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.**

10 **(E) ON OR BEFORE JANUARY 31 EACH YEAR, THE DEPARTMENT SHALL**
11 **REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH §**
12 **2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE UTILIZATION OF THE**
13 **CREDIT AUTHORIZED UNDER THIS SECTION.**

14 **(F) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE**
15 **PROVISIONS OF THIS SECTION, INCLUDING THE CRITERIA AND PROCEDURES FOR**
16 **APPLICATION FOR AND APPROVAL OF ELIGIBILITY FOR THE TAX CREDIT**
17 **AUTHORIZED UNDER THIS SECTION.**

18 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July**
19 **1, 2020, and shall be applicable to all taxable years beginning after December 31, 2019.**