



## Business Incentives and Economic Development Expenditures: An Overview of Maryland's Program Investments and Outcomes

### Summary

Across the country, state economic development incentives have evolved into a complex mixture of programs with diverse structures and goals. The Council for Community and Economic Research (C2ER) and the Center for Regional Economic Competitiveness (CREC) have been working to catalog and document the range of available state programs through the [C2ER State Business Incentives Database](#), which includes detailed information about almost 2,000 state-administered incentive programs from every state; and the [C2ER State Economic Development Expenditures Database](#), a compilation of economic development expenditure budget data from every state. This report builds on that work by taking a deeper look at Maryland's full array of incentive programs and includes an analysis of the available outcome data that is used by state policymakers and program administrators to gauge program effectiveness.

In order to create a comprehensive picture of the economic development landscape, we reviewed and culled data from a range of state statutes, reports, and websites, including tax expenditure reports and the StateStat program webpage. The numbers contained in this report are CREC and C2ER's best estimate of the dollars spent on economic development incentives at the state level in Maryland.

In Fiscal year (FY) 2012, the most recent year for spending data are available for all program types, the state spent \$103 million on economic development program expenditures and \$103 million on economic development tax expenditures.<sup>1</sup>

### Overview of Business Incentives

Maryland has a large number of incentive programs, with a total of 72 active programs in 2014. The C2ER State Business Incentives Database defines state business incentives as state-administered programs designed to influence business investment behaviors. States design their programs to influence these behaviors through tax incentives as well as through non-tax programs such as grants, loans, business assistance, and other investment vehicles. These incentives help businesses address one

[The Center for Regional Economic Competitiveness \(CREC\)](#) is working with The Pew Charitable Trusts (Pew) on the Business Incentives Initiative. This initiative engages forward-thinking teams of economic development policymakers and practitioners from six states, including Maryland. These leaders are working together to identify effective ways to manage and assess economic development incentive policies and practices, improve data collection and reporting on incentive investments, and develop national standards. The initiative is supported by a grant from the Laura and John Arnold Foundation.

<sup>1</sup> Please see Appendices for detailed lists of all items included in this report as incentives, economic development program expenditures, and economic development tax expenditures.



**Figure 1: Maryland State Business Incentives by Agency, 2014**

State Agency	Number of Programs
<b>Comptroller of Maryland</b>	17
<b>Department of Business and Economic Development (DBED)</b>	22
<b>Department of Housing and Community Development (DHCD)</b>	10
<b>Maryland Energy Administration (MEA)</b>	6
<b>Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO)</b>	4
<b>Department of Labor, Licensing and Regulation (DLLR)</b>	3
<b>BioMaryland Center (BioMD)</b>	2
<b>State Department of Assessments and Taxation (SDAT)</b>	2
<b>Division of Tourism, Film and the Arts (TFA)</b>	2
<b>Maryland Department of Transportation (MDOT)</b>	1
<b>Maryland Department of Planning (MDP)</b>	1
<b>Technology Development Corporation (TEDCO)</b>	1
<b>University of Maryland (UMD)</b>	1

*Source: C2ER State Business Incentives Database*

or more needs, such as capital access, workforce preparation, technology transfer, site facility improvements, and so forth.<sup>2</sup>

The responsibility for administering these incentive programs is spread across 13 different state agencies. The primary agencies responsible for administering incentive programs are the Department of Business and Economic Development (DBED), Department of Housing and Community Development (DHCD), Maryland Energy Administration (MEA), and Comptroller of Maryland. (See Figure 1.) The Comptroller exclusively administers tax incentives (primarily exemptions and offsets of business-related expenses), while DBED and other state agencies administer a mix of tax (primarily credits) and non-tax programs.

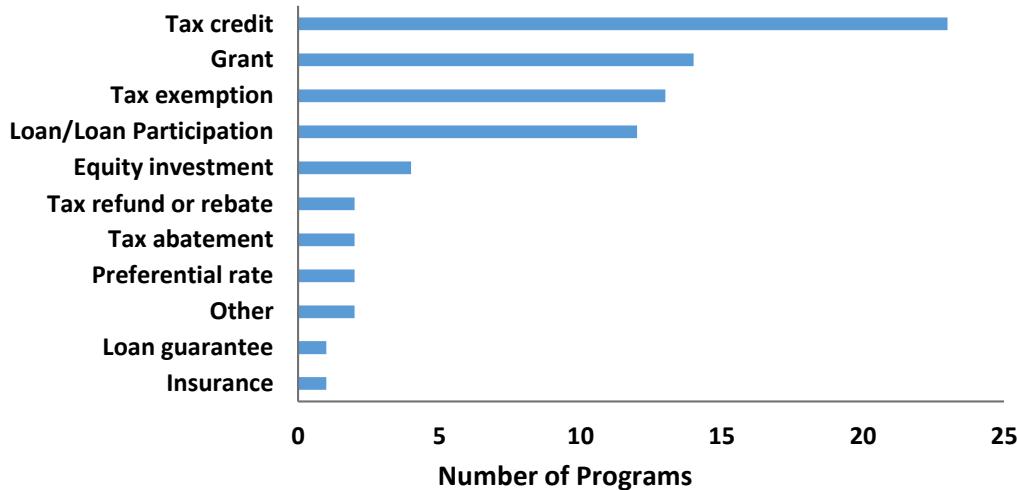
Over the past couple of decades, the state has moved from a focus on direct business financing with grant and loan programs toward a major emphasis on tax incentives, especially tax credits. More than half of Maryland's active incentive programs offer some kind of tax-related benefit. By comparison, tax incentives represent 45 percent of all state business incentive programs. Approximately a third of the state's programs provide direct business financing, while about 15 percent offer indirect business financing. (See Figure 2.)

Programs launched in earlier decades emphasized business operational support, such as developing workforce, technology, and products. The emphasis of the state's current portfolio of incentives is on tax burden reduction and capital access or formation, with a smaller number of programs addressing business operations improvements. Compared to other states, Maryland's program portfolio places a strong emphasis on addressing tax burden reduction and technology and product development. (See Figure 3.)

<sup>2</sup> The C2ER State Business Incentives Database definition of business incentives may differ from the definition used by the state of Maryland. For a current list of incentive programs as defined by the state, please see [Maryland Department of Business & Economic Development Financing & Incentive Resources](#), produced by DBED in 2014.



**Figure 2: Incentive Programs by Type\*\*  
Maryland Incentive Programs by Type (2014)**

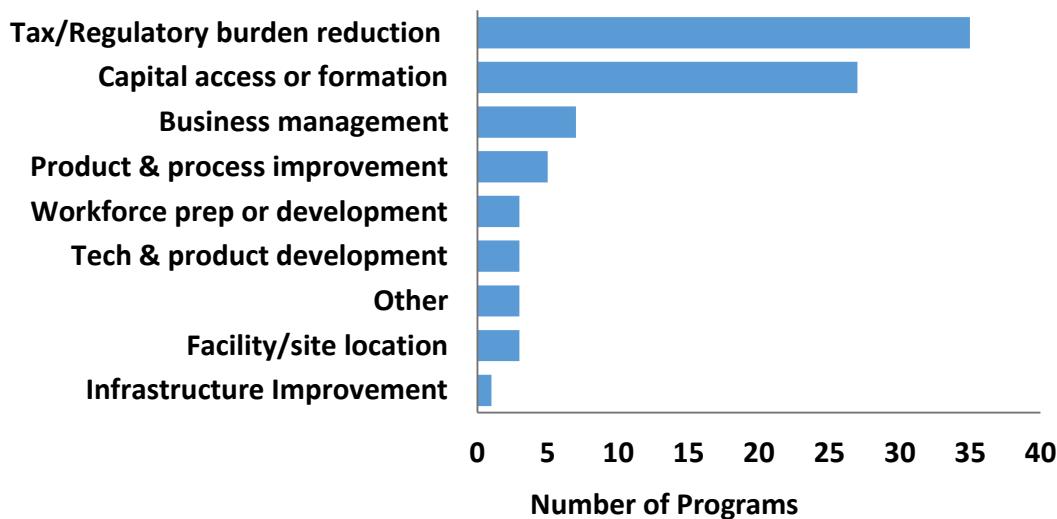


Source: C2ER State Business Incentives Database

\*\* Note: Programs may appear more than once if they provide multiple incentive types.

There has also been a recent trend toward the development of equity investment programs and programs targeted at specific industries, such as the Cybersecurity Investment Incentive Tax Credit (2014) and the Employer Security Clearance Costs Tax Credit (2012).

**Figure 3: Incentive Programs by Business Need\*\*  
Maryland Incentive Programs by Business Need (2014)**



Source: C2ER State Business Incentives Database

\*\* Note: Programs may appear more than once if they are intended to fulfill multiple business needs.



## Economic Development Program Expenditures

Examining Maryland's budget for economic development program expenditures reveals how various state agencies outlay money for economic development programs. Expenditures fall into 15 functional areas for economic development defined by the C2ER State Economic Development Expenditures Database.<sup>3</sup>

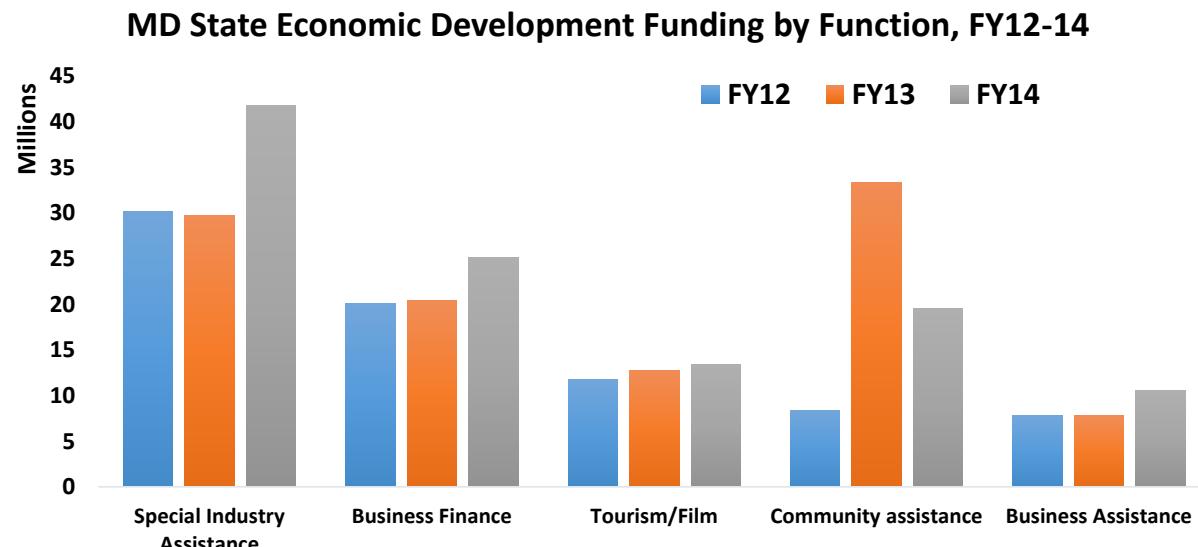
According to Maryland's [FY 2014 proposed operating budget document](#), which details actual FY 2012 spending, the state spent \$103 million on economic development in FY 2012. This level of spending represents an average of \$614 per business, which is lower than the median average of \$791 per business spent in other states for that fiscal year. All of Maryland's economic development expenditures went to DBED, DHCD, MEA, DLLR, and the Department of Agriculture. DBED received the bulk of funding, with around 85 percent of spending.

In comparison to economic development expenditures nationally, in FY 2012 Maryland spent a greater proportion of its budget (relative to other states) on programs related to business finance, domestic recruitment, and special industry assistance, and a lower share on programs related to technology transfer, business assistance, community assistance, tourism and film, and workforce development.

### State Economic Development Expenditures Function Areas

- Business Finance
- Strategic Business Attraction Fund
- Business Assistance
- International Trade and Investment
- Domestic Recruitment/Out-of-State
- Workforce Preparation & Development
- Technology Transfer
- Entrepreneurial Development
- Minority business development
- Community Assistance
- Tourism/Film
- Special Industry Assistance
- Program Support
- Administration
- Other Program Areas

**Figure 4: State Economic Development Funding by Function**

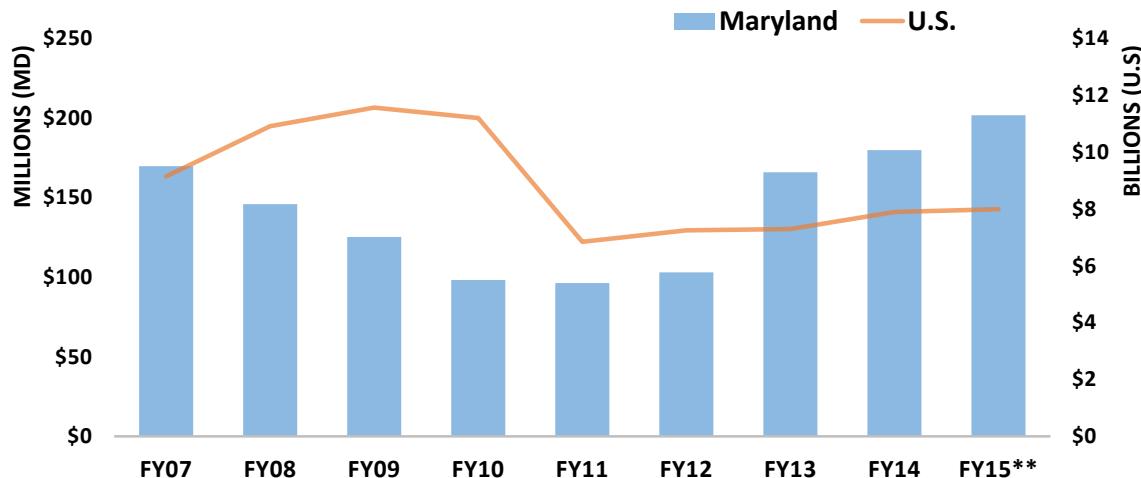


Source: C2ER State Economic Development Expenditures Database

<sup>3</sup> See Glossary definitions here - [http://www.stateexpenditures.org/about/Definition\\_of\\_ED\\_Functions.pdf](http://www.stateexpenditures.org/about/Definition_of_ED_Functions.pdf)



**Figure 5: Total State Economic Development Funding**  
**Total State Economic Development Funding, FY07-15**



Source: C2ER State Economic Development Expenditures Database

\*\* Note: FY15 represents appropriated spending. All other years depict actual spending.

Between FY 2007 and FY 2011, economic development spending steadily decreased in Maryland, falling from \$170 million in FY 2007 to \$96 million in FY 2011. Economic development program expenditures have noticeably increased since FY 2011, and are now higher than pre-Recession spending levels. Maryland appropriated \$202 million to spend on economic development in FY 2015, representing a small increase over FY 2014 levels. This is somewhat inconsistent with national trends in economic development spending, as most states decreased spending in FY 2011 following the Great Recession. (See Figure 5.)

## Economic Development Tax Expenditures

Tax expenditures can be defined as “revenue losses attributable to tax provisions that often result from the use of the tax system to promote social goals without incurring direct expenditures.”<sup>4</sup> *Economic development tax expenditures* in this context represent those tax provisions that use the state tax system to promote business investments that promote state economic priorities. The Maryland Tax Expenditures Report for FY14<sup>5</sup>, published by the Maryland Department of Budget and Management in February 2013, was used for the analysis in this section. Data was collected by reviewing and recording all line items in the report related to economic development, including all tax credits, abatements, refunds/rebates and exemptions that are designed to influence business investment behaviors.

In FY 2012, the state of Maryland’s economic development tax expenditures totaled approximately \$103 million, which was very similar to the \$103 million Maryland invested in economic development

<sup>4</sup> *Tax Expenditures: What are they and how are they structured?* Tax Policy Center. Accessed November 25, 2014 at: [www.taxpolicycenter.org/briefing-book/background/shelters/expenditures.cfm](http://www.taxpolicycenter.org/briefing-book/background/shelters/expenditures.cfm)

<sup>5</sup> Report can be accessed at:

[www.dbm.maryland.gov/agencies/operbudget/Documents/2014/FY14TaxExpendituresRpt.pdf](http://www.dbm.maryland.gov/agencies/operbudget/Documents/2014/FY14TaxExpendituresRpt.pdf)



program expenditures for that fiscal year. Maryland administered its tax expenditures related to economic development through several different state agencies, including the Comptroller, SDAT, DBED, DHCD, DLLR, MEA, the Historical Trust, and the Department of Education.

For FY 2012, approximately 32 percent of Maryland's economic development tax expenditures were for corporate income taxes, while about 20 percent were for sales and use taxes. The remainder fell under individual income, state property, and other tax types. The primary economic development functional goals of these tax expenditures were to encourage community assistance, domestic recruitment, special industry assistance, technology transfer, tourism and film, and workforce preparation and development.

The majority of Maryland's economic development tax expenditures went towards domestic recruitment (31 percent), technology transfer (22 percent) and special industry assistance (26 percent). Maryland used tax incentives to assist many different industries in the state, with almost two thirds of line items going toward specific industries. The primary industries that received tax assistance in FY 2012 were telecommunications (15 percent); film production (14 percent); and professional, scientific, and technical services (43 percent).

## Analysis of Available Outcome Data

Maryland relies on a variety of metrics to assess program performance. In addition to providing supporting data to accompany budget requests, every current state incentive program is statutorily required to provide an annual report on program impacts. Further, program managers provide monthly performance updates to outside stakeholders. DBED's [Maryland Finance Tracker](#) is a publicly available on-line database of grants, tax credits, equity investments, and loan enhancements, and is updated annually.

Most incentive programs are subject to three different types of performance assessment. First, the agency responsible for the program tracks each program on an ongoing basis. For example, at the agency level, DBED tracks four sets of data for tax credit and business finance programs:

- 1) Inputs: Funding and staffing levels;
- 2) Activities: Outreach to business and community leaders, provision of technical assistance, reporting activities;
- 3) Outputs: The number and value of projects; and
- 4) Outcomes: Jobs created and retained, capital expenditures, generated tax revenues, return on investment.

In addition to metrics that are common across programs, unique measures tied to the specific goals of a targeted initiative are often used, such as the amount of hospitality and lodging revenues for the film incentive. Most statutorily required reporting requirements are focused on metrics for inputs, activities and outputs, but a few programs require outcome reporting on the "economic benefit" to the state, including the Enterprise Zone Tax Credit and Maryland Economic Development Assistance Authority and Fund. The Maryland EARN Program, a workforce development grant program, requires reporting on the number of program participants who have obtained a credential or an identifiable skill, a new employment position, or a promotion as a result of the program. DBED has also developed its own Return on Investment assessment tool that can calculate broader financial impacts, such as tax revenues generated by new employees attributable to the use of state business investment programs.



The second type of program assessment requires each state agency to provide a detailed assessment of its mission, strategic plans, key goals, and performance measures when submitting annual budget requests. Created in 1996, [Managing for Results](#) is a strategic planning, performance measurement, and budgeting process that is linked to the state budget and managerial decision making. As part of the MFR structure, each state agency is required to provide a detailed annual assessment of its mission and strategic plans, along with key goals and performance measures. MFR reports are provided with each agency's budget request, and are reviewed by the Maryland Department of Budget and Management and the State Legislature.

Beginning in 2007, this MFR process was supplemented with the [Maryland StateStat Program](#), a performance-measurement and management tool aimed at making state government more accountable and efficient. The purpose of MFR strategic plans is to establish outcomes for agencies to strive to achieve, while StateStat is intended to help agencies achieve MFR goals and objectives. StateStat supplements MFR reviews, and places greater emphasis on assessing agency business processes and strategic issues. While MFR and StateStat focus on slightly different priorities, they use similar performance measures for DBED and other incentive programs.

The third assessment element is a comprehensive long-term tax credit evaluation process that was created through the Tax Credit Evaluation Act of 2012. This effort is spearheaded by the Legislature's [Tax Credit Evaluation Committee](#), with evaluations that are conducted by the Department of Legislative Services. To date, DLS has completed evaluations of the [Enterprise Zone](#), [One Maryland Tax Credit](#), [Earned Income Tax Credit](#), and [Film Production Activity Tax Credit](#). Future program evaluations planned include the sustainable communities and research and development credits (2016); and the businesses that create new jobs, biotechnology investment, and wineries/vineyards credits (2017).

Maryland's use of outcome data is similar to common practices employed in other states, according to the [State Economic Development Incentives Survey](#) conducted by C2ER in 2012. Approximately 70 percent of state program respondents collected data on program impact or performance data for reporting purposes on either a regular basis or occasionally. The most common outcome data collected by states were the number of jobs created and retained, company investment, and average wages, while a smaller number of respondents collected data on business sales or tax revenue, or the value of cost savings to business. Unlike half the state programs surveyed, DBED does not currently assess satisfaction among businesses that use its programs.

## Conclusion

Maryland's current economic development structure is notable for its relatively high number of incentive programs administered by a large number of agencies, making coordination across agencies challenging. At the same time, the actual amount of overall economic development program spending per business establishment in the state is lower than average relative to other states. Economic development tax expenditures represent a similar proportion of the state's economic development investments when compared with economic development program expenditures.

Maryland utilizes a variety of initiatives for tracking the outcomes of its economic development programs, including Maryland Finance Tracker, Managing for Results, Maryland StateStat, and the Tax Credit Evaluation Committee. Even so, the state is continuously exploring new methods for effectively evaluating how well its incentive programs accomplish the state's economic development priorities.



## Appendix A: Full List of Maryland State Business Incentives (2014)

Program Name	Program Provider	Business need	Type
Biotechnology Development Program	BioMD	Capital access or formation; Tech & product development	Grant
Biotechnology Investment Incentive Tax Credit	BioMD	Tech & product development	Tax credit
Sales and Use Tax Exemption For Research and Development Purposes	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Printing Use and Publications	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption for Renewable Energy Equipment	Comptroller	Tech & product development	Tax exemption
Corporate Income Tax Subtractions from Federal Taxable Income	Comptroller	Tech & product development	Tax abatement
Exclusion of the Value of Trade-ins from the Boat Tax	Comptroller	Tech & product development	Tax credit
Income Tax Credits For a Telecommunications Business	Comptroller	Tech & product development	Tax credit
Motor Fuel Tax Exemptions	Comptroller	Tech & product development	Tax exemption
Motor Fuel Tax Refunds and Offsets	Comptroller	Tech & product development	Tax refund or rebate
Motor Vehicle Titling Tax Credit for Electric Vehicles	Comptroller	Tech & product development	Tax credit
Sales and Use Tax Exemption For the "Core Value" of Used Truck Parts Exchanged for Remanufactured Parts	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Agricultural Purposes and Products	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Computer Programs	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Interstate or Foreign Commerce or Use in Another State	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Lodging at Corporate Training Centers	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Seafood Harvesting Purposes	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemption For Services	Comptroller	Tech & product development	Tax exemption
Sales and Use Tax Exemptions For Machinery and Equipment	Comptroller	Tech & product development	Tax exemption



MIDFA Credit Insurance	DBED	Product & process improvement; Capital access or formation	Tax credit; Insurance
Maryland Economic Development Assistance Authority and Fund (MEDAAF)	DBED	Capital access or formation	Grant; Loan guarantee
Contract Financing Program (CFP)	DBED	Capital access or formation	Loan/Loan Participation; Loan guarantee
Equity Participation Investment Program	DBED	Business management; Capital access or formation; Tech & product development	Equity investment
Cybersecurity Investment Incentive Tax Credit	DBED	Capital access or formation	Tax credit
MIDFA Private Activity Revenue Bond	DBED	Capital access or formation	Other
Military Personnel and Service-Disabled Veterans No-Interest Loan Program	DBED	Capital access or formation	Preferential rate
Long-Term Guaranty Fund Program	DBED	Capital access or formation	Loan guarantee
Offshore Wind Business Development Fund	DBED	Capital access or formation	Grant
InvestMaryland	DBED	Capital access or formation	Equity investment
Maryland Economic Adjustment Fund (MEAF)	DBED	Capital access or formation; Tech & product development	Loan/Loan Participation
Enterprise Investment Fund	DBED	Capital access or formation; Tech & product development	Equity investment
Maryland's Child Care Facility Loan Programs	DBED	Facility/site location	Loan/Loan Participation
Surety Bond Program (SBP)	DBED	Other	Other
Enterprise Zone Tax Credit	DBED	Tax/Regulatory burden reduction	Tax credit
Job Creation Tax Credit	DBED	Tax/Regulatory burden reduction	Tax credit
Maryland Employer Security Clearance Costs Tax Credit	DBED	Tax/Regulatory burden reduction	Tax credit
One Maryland Tax Credits	DBED	Tax/Regulatory burden reduction	Tax credit
Research and Development Tax Credit	DBED	Tax/Regulatory burden reduction; Tech & product development	Tax credit



Cellulosic Ethanol Technology Research and Development Tax Credit	DBED	Tax/Regulatory burden reduction; Tech & product development	Tax credit
BRAC Revitalization and Incentive Zone Program	DBED	Tech & product development	Tax abatement
Partnership for Workforce Quality (PWQ)	DBED	Workforce prep or development	Grant
Community Legacy (CL)	DHCD	Capital access or formation; Other	Grant; Other
Maryland Town Manager Circuit Rider Grant Program (MTMCRG)	DHCD	Business management	Grant
Maryland Capital Access Program (MCAP)	DHCD	Capital access or formation	Insurance
Maryland Linked Deposit Program	DHCD	Capital access or formation	Preferential rate
Microenterprise Loan Program (MLP)	DHCD	Capital access or formation	Loan/Loan Participation
Neighborhood BusinessWorks Program (NBW)	DHCD	Capital access or formation	Loan/Loan Participation
Be SMART Business	DHCD	Infrastructure Improvement	Loan/Loan Participation
Main Street Maryland (MSM)	DHCD	Other	Equity investment
Neighborhood Housing Services (NHS)	DHCD	Other	Grant
Community Investment Tax Credit	DHCD	Tax/Regulatory burden reduction	Tax credit
EARN Maryland Program	DLLR	Capital access or formation; Workforce prep or development	Grant
HIRE Maryland	DLLR	Workforce prep or development	Tax credit
Maryland Disability Employment Tax Credit	DLLR	Workforce prep or development	Tax credit
Maryland Vineyard Planting Loan Fund (MVPLF)	MARBIDCO	Capital access or formation	Loan/Loan Participation
Rural Business Equipment and Working Capital Fund Loan (RBEWCL)	MARBIDCO	Capital access or formation	Loan/Loan Participation
Maryland Resource-Based Industry Financing Fund Loan (MRBIFF)	MARBIDCO	Capital access or formation; Facility/site location; Product & process improvement	Loan/Loan Participation
Rural Business Energy Efficiency Improvement Loan Fund (RBEEIL)	MARBIDCO	Product & process improvement	Loan/Loan Participation
Commuter Tax Credit	MDOT	Tax/Regulatory burden reduction	Tax credit



Sustainable Communities Tax Credit	MDP	Facility/site location; Tax/Regulatory burden reduction	Tax refund or rebate
Maryland Save Energy Now	MEA	Business management; Product & process improvement; Workforce prep or development	Grant
Commercial Clean Energy Grant Program	MEA	Product & process improvement	Grant
Jane E. Lawton Conservation Loan Program	MEA	Product & process improvement	Loan/Loan Participation
Bio-Heating Oil Tax Credit	MEA	Tax/Regulatory burden reduction	Tax credit
Clean Energy Incentive Tax Credit	MEA	Tax/Regulatory burden reduction	Tax credit
Electric Vehicle Supply Equipment Tax Credit Program	MEA	Tax/Regulatory burden reduction	Tax credit
Businesses That Create New Jobs Tax Credit	SDAT	Tax/Regulatory burden reduction	Tax credit
Maryland Mined Coal Tax Credit	SDAT	Tax/Regulatory burden reduction	Tax credit
Maryland Technology Transfer and Commercialization Fund (MTTCF)	TEDCO	Tech & product development	Grant
Film Production Activity Tax Credit	TFA	Tax/Regulatory burden reduction	Tax credit
Sales and Use Tax Exemption for Film Production	TFA	Tax/Regulatory burden reduction	Tax exemption
Maryland Industrial Training Partnerships (MIPS)	UMD	Tech & product development	Grant



## Appendix B: MD Economic Development Program Expenditures (2012)

Function	Activity	Total State Funding
Administration	Info systems, accounting, human resources, etc.	\$5,204,666
Business Assistance	Business retention/expansion	\$3,749,860
Business Assistance	Other Business Assistance	\$421,197
Business Assistance	Small business dev. (e.g., SBDCs)	\$3,622,208
Business Finance	Fund Management	\$1,978,511
Business Finance	Loans available to Business	\$14,867,433
Business Finance	Other Business Finance	\$3,193,079
Community assistance	Community development	\$8,403,175
Domestic Recruitment/Out-of-State	Marketing/Prospect Dev. (Domestic)	\$3,328,482
Entrepreneurial Development	Seed/venture capital	\$1,000,819
International Trade and Investment	Export promotion (excl. overseas representation)	\$1,679,286
Program Support	Other Program Support	\$3,602,891
Program Support	Secretary/Director's Office	\$2,435,072
Special Industry Assistance	Agriculture/agribusiness	\$2,750,000
Special Industry Assistance	Biotechnology/life sciences	\$11,498,152
Special Industry Assistance	Energy & energy-related	\$1,041,392
Special Industry Assistance	Other Special Industry Assistance	\$14,869,293
Strategic Business Attraction Fund	Grants for strategic projects	\$2,000,000
Technology Transfer	Other Technology Transfer	\$60,000
Technology Transfer	Technology commercialization	\$3,273,192
Tourism/Film	Tourism development	\$3,425,279
Tourism/Film	Tourism promotion (exc. Advertising)	\$8,361,195
Workforce Preparation & Development	Apprenticeships	\$287,253
Workforce Preparation & Development	Customized training	\$1,782,464
Workforce Preparation & Development	Other Workforce Preparation & Dev.	\$143,212



## Appendix C: MD Economic Development Tax Expenditures (2012)

Description	Total Funds
Corporate credit for electricity produced from certain qualified energy resources, Individual income tax credits for electricity produced from qualified energy resources	\$1,100,000
Corporate income tax credit for "green buildings" construction & rehabilitation costs	\$500,000
Corporate income tax credit for 60% of property tax paid by telecom businesses on operating property other than land	\$10,500,000
Corporate income tax credit for bio-heating oil for use in space or water heating	\$300,000
Corporate income tax credit for biotechnology investment, Individual income tax credit for biotechnology investment	\$8,000,000
Corporate income tax credit for businesses that create new jobs	\$100,000
Corporate income tax credit for cellulosic ethanol technology R&D, Personal income tax credit for cellulosic ethanol technology R&D	\$300,000
Corporate income tax credit for cybersecurity investment, Personal income tax credit for cybersecurity investment	\$0
Corporate income tax credit for Electric Vehicle Recharging Equipment	\$200,000
Corporate income tax credit for employer costs of security clearance, Personal income tax credit for employer costs of security clearance	\$0
Corporate income tax credit for job creation (Job Creation Tax Credit), Personal income tax credit for job creation (Job Creation Tax Credit), Insurance premiums tax credit for job creation, Public service company franchise tax credit for sales to large industrial customers for production activity	\$2,800,000
Corporate income tax credit for neighborhood and community assistance contributions, Personal income tax credit for contributions for neighborhood/community assistance	\$1,300,000
Corporate income tax credit for ONE Maryland project/startup costs, Personal income tax credit for ONE Maryland project/startup costs	\$12,600,000
Corporate income tax credit for qualified film production entities, Personal income tax credit for qualified film production entities	\$7,600,000
Corporate income tax credit for qualified R&D expenses	\$600,000
Corporate income tax credit for rehabilitating historic/heritage structures, Personal income tax credit for rehabilitating historic/heritage structures	\$7,900,000
Corporate income tax credit for student work-based learning programs	\$100,000
Enterprise zone tax credit on corporate income tax, Enterprise Zone tax credit on personal income taxes, Property tax credit for the Urban Enterprise Zone Tax Credit	\$16,900,000
Exemption from the motor vehicle titling tax for electric vehicles	\$1,600,000
Exemption from the sales tax of certain sales for R&D purposes	\$21,400,000
Exemption from the sales tax of sales of space at corporate training centers	\$400,000
Job Creation and Recovery Tax Credit for the corporate income tax, Job Creation and Recovery Tax Credit for the personal income tax	\$500,000
Maryland Mined Coal Tax Credit	\$4,500,000
Personal income tax credit up to \$500 for the purchase of aquaculture oyster floats	\$200,000
Personal income tax subtraction for grants under the Solar Energy Grant Program	\$700,000
Property tax credit for the BRAC Zone Tax Credit	\$400,000
Sales and Use Tax Exemption for Production	\$2,200,000

February 2015



Sales and Use Tax Exemption for Renewable Energy Equipment	\$300,000
Sales and Use Tax Exemption for Residential Solar and Wind Electricity Sales	\$0