

Credits/Incentives:

Maryland: New Law Creates Nonrefundable Income Tax Credit for Up to 50% of Federal WOTC

H.B. 2, signed by gov. 4/1/22. Effective July 1, 2022, and applicable to all taxable years beginning after December 31, 2021, but before January 1, 2029, new state law creates a nonrefundable credit against Maryland income tax for up to 50% of the federal Work Opportunity Tax Credit (WOTC) claimed by an employer with respect to a qualified individual who is employed in Maryland. Under this state legislation, any unused amount of such credit generally may *not* be carried forward to any other tax year, and the amount of such credit generally excludes any amount of the federal WOTC that is carried back or forward from another tax year. Please contact us with any questions.

URL: <https://mgaleg.maryland.gov/mgawebwebsite/legislation/details/hb0002?ys=2022rs>

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