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Financial Resources

Loans

Baltimore Development Corporation

36 South Charles Street
Baltimore, MD 21201
(410) 837-9305
Fax: (410) 837-6363
www.baltimoredevelopment.com
Contact: Arthur Gray

\$hop Baltimore Loan Program

The purpose of the \$hop Baltimore Loan Program is to promote attractive and healthy neighborhood retail districts by providing flexible gap financing in the form of below-market interest rate loans to eligible retail businesses located in designated commercial districts, Retail Business District License areas, and Main Street districts. Maximum \$100,000, not to exceed 50% of total project costs.

Maryland Economic Development Corp. (MEDCO)

100 North Charles St., Suite 630
Baltimore, MD 21201
(410) 625-0051
Fax: (410) 625-1848
h_mayer@medco-corp.com
Hans F. Mayer, Executive Director

The Maryland Economic Development Corporation enables the State to develop property for economic purposes that serve the public interest. Originally, the Corporation was limited to developing vacant or unused industrial sites and facilities and other economic resources in economically distressed areas of the State (Chapter 498, Acts of 1984). Since 2001, the Corporation may develop property throughout the State as long as the private sector has shown no significant interest or development capability (Chapter 338, Acts of 2001).

To encourage business activity and commerce, and relieve unemployment, the Corporation purchases and develops property that is leased to others under favorable terms. It also makes **loans** to companies to maintain and develop facilities and helps State and local economic development agencies expand, modernize, and retain businesses, and attract new ones. To finance this assistance, the Corporation borrows money and issues bonds.

Maryland Department of Business & Economic Development

217 E. Redwood Street
Baltimore, MD 21202
(410) 767-6300
Fax: (410) 333-6911
www.choosemaryland.org
Steve Henry, Central Coordinator

The Maryland Department of Business & Economic Development's mission is to attract new businesses, stimulate private investment and create jobs, encourage the expansion and retention of existing companies, and provide businesses in Maryland with workforce training and financial assistance. The department promotes the State's many economic advantages and markets local

products and services at home and abroad to spur economic development, international trade and tourism.

Maryland Small Business Development Financing Authority (MSBDF)

MSBDF is provided for small businesses and those owned by socially and economically disadvantaged persons. For more information, contact Stan Tucker at (410) 333-4270 for more information.

Maryland Competitive Advantage Financing Fund (MCAFF).

The MCAFF provides financial assistance for the development and expansion of small businesses within the State. Certain requirements apply. The fund provides loans in the range of \$10,000 to \$100,000 to businesses with sales of less than \$1 million in assets and fewer than 100 employees. Contact Les Hall at (410) 767-6356 for more information.

Maryland Small Business Development Financing Authority (MSBDF)

Provides financing for small businesses and those owned by socially and economically disadvantaged persons.

- **Contract Financing Program** - loan guarantees and direct working capital and equipment loans to socially or economically disadvantaged businesses that have been awarded contracts mainly funded by government agencies and/or public utilities.
- **Equity Participation Investment Program** - direct loans, equity investments and loan guarantees to socially or economically disadvantaged-owned businesses in franchising, in technology-based industries, and for the acquisition of profitable businesses.
- **Long-Term Guaranty Program** - provides loan guarantees and interest rate subsidies.
- **Surety Bonding Program** - assists small contractors in obtaining bonding for primarily funded government or public utility contracts that require bid, performance and payment bonds.
- For more information about this program please contact:
Stan Tucker
Phone: (410) 333-4270
Fax: (410) 333-2552

Maryland Department of Housing & Community Development

1201 W. Pratt Street, D
Baltimore, MD 21223
(410) 209-5820
Contact: Glenda Odom
www.dhcd.state.md.us

MARYLAND CAPITAL ACCESS PROGRAM

The Maryland Capital Access Program (MCAP) is a revitalization resource to support the growth and success of small businesses in Priority Funding Areas throughout the State of Maryland. MCAP is a credit enhancement program that enables private lenders to establish a loan loss reserve fund from fees paid by lenders, borrowers, and the State of Maryland. Communities that have small businesses receiving financing through loans enrolled in MCAP will benefit from new or expanded services provided by the small businesses.

Lenders that may participate are federally insured financial institutions, institutions regulated by the Commissioner of Financial Regulation, and others who have a

participation agreement with the Maryland Department of Housing and Community Development (DHCD). Current participating lenders are:

Current participating lenders:

BB&T- www.bbandt.com, Bank of America- www.bankofamerica.com,
PNC Bank- www.pncbank.com, and SunTrust Bank- www.suntrust.com

Eligible Borrowers include most Maryland small businesses, and non-profits corporations are eligible as long as they are located in a "Priority Funding Area" (PFA).

Certain restrictions do apply. The proceeds of the loan cannot be used to finance passive real estate ownership, transitional housing, adult entertainment facilities or tattoo parlors, as well as other activities.

For more detailed information, call Susan Milukas at 410-209-5805, e-mail milukas@dhcd.state.md.us or see the website: www.dhcd.state.md.us/Website/programs/mcap/mcap.aspx

NEIGHBORHOOD BUSINESSWORKS LOAN PROGRAM

The Neighborhood BusinessWorks Program provides flexible gap financing in the form of below-market interest rate loans to small businesses and loans and grants to nonprofit organizations locating or expanding in locally designated neighborhood revitalization areas. Financing ranges from \$25,000 to \$500,000 for up to 50 percent of a project's total cost. Grants typically range from \$25,000 to \$250,000, depending on the nature of the project.

Eligible projects include retail businesses, franchises, manufacturing businesses, service-related businesses, mixed-use projects- consisting of a commercial or retail use at street level and no more than 12 residential units.

Eligible Use of Funds include but are not limited to property acquisition; construction or renovation of existing buildings, leasehold improvements, machinery and equipment, inventory and working capital

More detailed information is available on the website: www.dhcd.state.md.us/Website/programs/nbdp/nbdp.aspx or call Susan Milukas at 410-209-5805 or via email, milukas@dhcd.state.md.us

Maryland Works

Provides flexible gap financing in the form of below-market interest rate loans to small businesses and loans and grants to nonprofit organizations locating or expanding in locally designated neighborhood revitalization areas. Financing ranges from \$25,000 to \$500,000 for up to 50% of the project's total cost. Grants typically range from \$25,000 to \$250,000, depending on the nature of the project. For more information on this program, contact Ted Conlon at (410) 209-5804 or conlon@dhcd.state.md.us.

Small Business Resource Center

1101 E.33rd Street, Suite 307
Baltimore, MD 21218
Phone: (443) 451-7160
Fax: (443) 451-7460
www.sbrcbaltimore.com
www.sba.gov

Paul Taylor, Director
Venita Moore, SBRC Coordinator

The Micro loan Program for Entrepreneurs

The intermediaries use these funds to make loans of up to \$35,000 to new and existing small businesses. The average age loan sized is around \$10,500

The Surety Bond Guarantee Program

The SBA can guarantee bid, payments and performance bonds for contracts up to \$2 million for eligible small contractors

Low Documentation Smaller Business Loan

A maximum loan amount of \$150,000

SBAExpress

Maximum loan amount of \$250,000.

Small Office/Home Office Loan Initiative

This initiative combines financial and technical assistance to enable small and home-based business owner's access to business loans through Innovative Bank instead of consumer loans. \$5,000 - \$25,000 and 7 year repayment term.

Financial Resources Grants

BDC Façade Improvement Grant (FIG)

Commercial Revitalization
Baltimore Development Corporation
36 S. Charles Street, Suite 1600
Baltimore, MD 21201
410-837-9305
agray@baltimoredevelopment.com
Contact, Arthur Gray

The FIG program offers up to \$2,500 in matching grants and, in certain cases, design assistance to merchants and property owners in designated commercial revitalization districts in order to improve the appearance of individual building facades, signs and awnings, as well as the overall look of the retail district. Improvements must be to areas visible from the public way and are reviewed by the Highlandtown Community Review Board. Businesses within the Highlandtown Main Street area not eligible for this program.

Baltimore Main Street Façade Grant Program-Highlandtown Only

Main Street Manager
3700 Eastern Avenue
Baltimore, MD 21224
410-342-3234

The Highlandtown Main Street program has limited funds (\$25,000 annually) to award for façade improvement grants to property and business owners inside the Highlandtown Main Street boundaries. With volunteers from the Main Street Design Committee and Community Review Board, property owners and businesses are encouraged to create standard-setting facades that can increase shopper traffic and enhance the overall marketability of the Main Street and Arts and Entertainment District. Contact Beth Perry for further information and to apply.

Financial Resources Business Friendly Banks

We encourage those wishing to invest to take advantage of the programs, products, and services offered by our merchants, including both national and local banks.

With the exception of Homewood Savings Bank, all banks are SBA Certified lenders and participate in the SBA Express loan program. Certified lenders are lenders that have been heavily involved in regular SBA guaranty loan processing and meet certain SBA criteria. Their loan guaranty applications are given a three-day turn-around by the local SBA office, assuming the documentation is complete.

<p>M&T Bank 3410 Eastern Ave Baltimore, MD 21224 (410) 244-4065 Barb Walton, Manager</p>	<p>Homewood Federal Savings Bank 3228 Eastern Avenue Baltimore, MD 21224 (410) 327-5220 John Schott, President</p>
<p>Bank of America 3415 Eastern Ave Baltimore, MD 21224 (410) 342-4560 Lisa Stinchcomb, Manager</p>	<p>Provident Bank of Maryland 3300 Eastern Avenue Baltimore, MD 21224 Phone: (410) 277-8307 Jennifer Payne, Branch Manager</p>
<p>BB&T 2 North Charles Street Baltimore, MD 21201 Patricia Park</p>	<p>Harbor Bank 3240 Belair Road Baltimore, MD 21213 (410) 675-5722 William Freeman, VP Commercial Lending</p>
<p>Carrollton Bank 351 S. Conkling Street Baltimore, MD 21224 (410) 675-4622 Tony Pearce, Manager</p>	<p>Susquehanna Bank (Towson) 100 West Road Baltimore, MD 21204 (410) 769-5353 John Draksler, VP-Business Banking</p>

Technical Assistance

Baltimore Main Streets

36 South Charles Street, Suite 1600
Baltimore, MD 21201
410-837-9305 (Office)
410-837-6363 (Fax)

Donna Langley, Business District Specialist (Federal Hill, Waverly)
Dlangley@baltimoredevelopment.com

Linda Pompa, Business District Specialist (Monument St., Fell's Point, Govanstowne, Pennsylvania Ave.)
Lpompa@baltimoredevelopment.com

Nick Rudolph, Business District Specialist (Belair-Edison, Highlandtown, Pigtown)
Nrudolph@baltimoredevelopment.com

The National Trust's National Main Street Center offers a comprehensive strategy to commercial district revitalization that has been widely successful in many towns and cities throughout the country. Baltimore Main Streets follow the national Four Point Approach, which includes Organizational, Promotion, Design and Economic Restructuring. All four approaches are headed up by committees and are staffed and run by community members. The Main Street program is successful because it is comprehensive and incremental, mobilizing the community's resources-its people-to create change and develop assets based on the neighborhood's uniqueness, emphasizing quality while building partnerships in public and private sectors. The list below consists of the eight Main Street programs and one affiliate that offer technical assistance to local merchants.

Belair Edison Neighborhoods. INC

3412 Belair Road
Baltimore MD, 21213
410-482-8422
410-485-0728 Fax
Johnette Richardson, Manager
jrichardson@belair-edison.org

East Monument Street

1212 N. Wolfe Street
Baltimore, MD 21205
443-524-2595 *106
443-524-5299 Fax
Don Buie, Manager
dbuie@hebcac.org

Historic Federal Hill Main Street

1105 Light Street
Baltimore, MD 21230
410-7274500
410-727-7505 fax
Bonnie Crockett, Executive Director
bcrockett@historicfederalhill.com

Fell's Point Redevelopment Corporation

P.O. Box 38245
Baltimore, MD 21231
410-276-9333
470-675-5109 Fax
Jeremy Fennema, President
fpdc@verizon.net

Highlandtown Main Street
Southeast CDC
3700 Eastern Ave
Baltimore MD, 21224
410-342-3234, *30
410-342-6657 Fax
Katie McKenna, Main Street Manager
Katie@southeastcdc.org

Pennsylvania Ave Redevelopment Collaborative
1601 Pennsylvania Avenue
Baltimore, MD 21217
410-669-5397
George Gilliam, Executive Director
royalth@msn.com

Waverly Main Street
2301 North Charles Street
Baltimore, MD 21217
410-235-4411 *19
410-235-5544
John Lundquist, Manager
waverlybusiness@hotmail.com

Washington Boulevard/Pigtown Main Street
904 Washington Blvd
Baltimore, MD 21230
410-385-8494 x103
410-385-0243 Fax
Jack Danna, Manager
jackdanna@hotmail.com

Baltimore Main Streets Affiliate-Govanstowne Business Association

414 Lyman Avenue
Baltimore, MD 21212
410-433-8289
410-435-7435 Fax
Reba Hawkins, Executive Director
govanstowne@aol.com

Office of Commercial Revitalization

Baltimore Development Corporation
36 S. Charles Street, 1600
Baltimore, MD 21201
Phone: (410) 837-9305
Fax: (410) 837-6363
www.baltimoredevelopment.com

BDC provides technical and financial assistance, workshops, and programs in small business development and commercial revitalization. List of services include:

Technical Assistance

- Permit approval process
- Referrals to lenders
- Partnership with financial institutions
- Referrals to our family of business partners and support groups

Retail Business Districts

- Managing vacancy/product mix
- Improving shopping environments
- Uniform design standards
- Façade improvement programs, including matching grants
- Urban Renewal Plans
- Land use restrictions
- Organizing business associations

Business Partnerships

- SBA (Small Business Administration)
- CEBO (Council for Economic and Business Opportunities)
- DCF (Development Credit Fund)
- BCCC (Baltimore City Chamber of Commerce)
- CDFC (Community Development Financing Corporation)
- BDC (Baltimore Development Corporation)
- MDBED (Maryland Department of Business Economic Development)
- ➔ MSBDFA (Maryland Small Business Development Financing Authority)

Baltimore City Chamber of Commerce

3 West Baltimore Street
Baltimore, MD 21201
(410)837-7101
Fax: (410)837-7104
www.baltimorecitychamber.com

Since 1992, the strength of the organization has been its diversity and diligent effort to be the voice of the small business community in Baltimore city. It is an inclusive group of individual's entrepreneurs, organizations and businesses concerned and committed to the economic well-being of Baltimore. Our goal is to make Baltimore a better place *"to live, work and do business."*

Baltimore County Chamber of Commerce

Atrium Offices at Eastpoint Mall
7835 Eastern Avenue, Suite 302
Baltimore, MD 21224
(410)282-9100
Fax: (410)284-9864
www.baltcountycc.com

Promotes business prosperity and an enriched quality of life through strong member involvement in legislative, educational, social, and other issues influencing the economic strength of Baltimore County.

Employ Baltimore

417 E. Fayette Street, 466
Baltimore, MD 21202
(410) 396-9675
www.oedworks.com

Employ Baltimore is a professional business service that assists employers in hiring qualified Baltimore City residents. Employers get skilled employees and a host of valuable support services, ranging from outreach and recruitment, prescreening, and assessment and testing services to human resources and support. Contact Employ Baltimore directly for more information.

Women Entrepreneurs of Baltimore, Inc.

Suite 202
1118 Light Street
Baltimore, MD 21230
(410) 727-4921
www.webinc.org

A non-profit organization that provides entrepreneurial training, technical assistance, and follow-up services for micro-business start-up and development in the Baltimore metropolitan area.

Governor's Office of Business Advocacy and Small Business Assistance (GOBA)

James H. McLean
Executive Director
410-767-0545

GOBA exists to help Maryland businesses navigate the processes and regulations of local, state, and federal governments. Reporting directly to the Secretary, GOBA provides personalized attention to business clients, acting as liaison, information provider, ombudsman, and problem solver to meet and resolve business concerns quickly and efficiently.

Hub Zone

SBA District Office
City Crescent Building, 6th Floor
10 South Howard Street
Baltimore, Maryland 21201
410-962-6195 x322
Hallot Watkins
<http://www.sba.gov/md/>

The HUBzone Empowerment Contracting program provides federal contracting opportunities for qualified small businesses located in distressed areas. Fostering the growth of these federal contractors as viable businesses, for the long term, helps to empower communities, create jobs, and attract private investment.

Small Business Resource Center (SBRC)

3 W. Baltimore St
Baltimore, MD 21201
410.605.0990 T
410.605.0995 F
info@sbrcbaltimore.com
Paul Taylor, Director

At the Small Business Resource Center, you will find a wealth of information about many subjects that affect your small business, from planning and financing to marketing and insurance. The Center has a large business library, plus PC-based internet access to magazines and newspapers nationwide, for your research on a variety of business topics. There are videos and cassettes for you to use, as well as literature and self-help guides. At the Small Business Resource Center you can learn more about starting your own business, preparing a business plan, getting credit, business taxes and regulatory responsibilities, networking, and much more.

Small Business Development Center (SBDC)

(410)704-5001

www.towson.edu/sbdc

The Maryland Small Business Development Center (MDSBDC) is a partnership between the U.S. Small Business Administration and the University of Maryland College Park. This partnership links private enterprise, government, higher education and local economic development organizations to provide management training and technical assistance to Maryland's small businesses. For more information visit www.towson.edu/sbdc or call (410)704-5001.

SAFF

Strategic Assistance Consulting Fund is a new initiative designed to provide expert private – sector consulting services to small, minority and micro-enterprise business. Booth Management Consulting, LLC will administer the strategic Assistance Consulting Fund to build upon the basic services currently offered through the Maryland Small Business Development Center, (SBDC) network to qualifying clients and provide more advanced and specialized consulting services. For more information about SAFF call 410.625.1297.

SCORE– Counselors to America’s Small Business

SCORE, the Services Corps of Retired Executives, is a 13,000-member volunteer association sponsored by the U.S. Small Business Administration. Since 1964, the association has matched volunteer business management counselors with clients in need of expert advice. SCORE has experts in virtually every area of business management and maintains a national skills roster to help identify the best counselor for a particular client.

Through in-depth counseling and training, SCORE volunteers help prospective and established small business owners and managers identify problems, determine the cause and find solutions. Contact the Greater Baltimore Chapter of SCORE at 410-962-223

Tax Credits

Historic Rehabilitation Tax Credits

There are local, state, and federal tax credits available for the renovation of historic properties in Baltimore City.

City Property Tax Credit

Property tax credits are available for the rehabilitation of homes as well as income-producing designated historic buildings. In Baltimore City, property taxes are frozen at pre-rehab levels for 10 years.

Contact:

Baltimore City Commission for Historical and Architectural Preservation,
417 E. Fayette Street, Suite 1037
Baltimore, MD 21202,
410-396-4866
Brigitte Fessenden

State Income Tax Credit

Maryland income tax credits equal to 20% of rehabilitation expenditures are available for the rehabilitation of homes as well as income producing designated historic buildings. The rehabilitation expenditure for income-producing property must be substantial, in an amount exceeding the adjusted basis of the property. If the credit exceeds the taxpayer's tax liability, a refund may be claimed in the amount of the excess.

For more information about the program, contact [Dan Sams](#), Preservation Officer, at 410-514-7620 or [Collin Ingraham](#), Preservation Officer, at 410-514-7671 at the Maryland Historical Trust, or visit their extensive website at www.marylandhistoricaltrust.net.

Federal Income Tax Credit

Federal income tax credits equal to 20% of rehabilitation expenditures on a certified rehabilitation are available for the rehabilitation of income-producing designated historic buildings. Detailed information can be found at www2.cr.nps.gov/tps/tax

A federal tax credit equal to 10% of the qualified costs of rehabilitating a non-historic structure built before 1936 is also available.

For more information, contact [Dan Sams](#), Preservation Officer, at 410-514-7620 or [Collin Ingraham](#), Preservation Officer, at 410-514-7671

Employment Opportunity Tax Credit

DESCRIPTION:

Businesses that hire an individual who is receiving Aid to Families with Dependent Children (AFDC) or Family Investment Program (FIP) entitlements may be entitled to a tax credit for wages paid to the employee and for child care and transportation expenses paid on behalf of the employee.

The credit may be taken against corporate income tax, personal income tax, state and local taxes withheld (for certain tax-exempt organizations only), insurance premiums tax or public service company franchise tax. The same credit may not, however, be applied to more than one tax type. Sole proprietorships, corporations, tax-exempt non-profit organizations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit.

TO QUALIFY FOR THE CREDIT:

The company must hire at least one employee that received AFDC or FIP payments for any three months during the 18-month period before employment by the company. The employee cannot be closely related to the owners of the business. Certification must be obtained from the Department of Labor, Licensing and Regulation that the individual is a qualified employee

For more information, contact:

Maryland Department of Labor, Licensing and Regulation

Division of Employment and Training

1100 N. Eutaw Street

Baltimore, MD 21201

Phone: 410-767-2047

E-mail: ghee@careernet.state.md.us

Enterprise Zone Tax Credit

DESCRIPTION:

Businesses located in a Maryland enterprise zone may be entitled to a tax credit for wages paid to newly hired employees. The local enterprise zone administrator must certify the business to qualify for the credit. The credit may be taken against corporate income tax or personal income tax. Sole proprietorships, corporations, tax-exempt non-profit organizations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit

TO QUALIFY FOR THE CREDIT:

The business must hire at least one employee who:

- Is a new employee or an employee rehired after being laid off for more than one year;
- Worked for the business for at least 35 hours per week for six months or more;
- Earns at least 150 percent of the federal minimum wage;
- Spends at least 50 percent of the workday either in the enterprise zone or on activities of the business resulting from its location in the enterprise zone or focus area;
- Is hired after the date the enterprise zone was created or the date the business located in the enterprise zone or focus area, whichever is later; and
- Is not hired to replace an individual employed by the business within the last four years. If the individual is economically disadvantaged, the business must obtain certification from the Maryland Department of Labor, Licensing and Regulation.

FOR MORE INFORMATION, CONTACT:

Maryland Department of Business and Economic Development
Division of Business Development, Tax Incentives Group
217 E. Redwood Street
Baltimore, MD 21202
Phone: 410-767-6438 or 410-767-4980
E-mail: taxincentives@choosemaryland.org

Neighborhood Partnership Program Tax Credit

DESCRIPTION:

Businesses that contribute cash or goods to approved projects operated by tax exempt organizations (under Internal Revenue Code section 501(c)(3)) are eligible for a tax credit of up to \$125,000 per year. This credit is in addition to any charitable contribution deduction that is allowed for these contributions on both the state and federal income tax returns. The credit may be taken against corporate income tax, personal income tax, insurance premiums tax or public service company franchise tax. The same credit may not, however, be applied to more than one tax type. Sole proprietorships, corporations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit.

TO QUALIFY FOR THE CREDIT:

The business must donate at least \$500 in money or goods to an approved project and document the value of the contribution. The documentation may be either a receipt or certification of value of used goods from an independent and unrelated third party. The business must also attach a copy of the fully executed certification to the tax return.

FOR MORE INFORMATION, CONTACT:

Maryland Department of Housing and Community Development
100 Community Place
Crownsville, MD 21032-2023
Phone: 410-514-7241
E-mail: keel@dhcd.state.md.us

Work-Based Learning Program Tax Credit

DESCRIPTION:

Businesses that hire students as part of an approved work-based learning program in the state may be entitled to a tax credit for a portion of the wages paid to these individuals. (Note: credit is scheduled to end June 30, 2004.) The credit may be taken against corporate income tax, personal income tax, insurance premiums tax or public service company franchise tax. The same credit may not, however, be applied to more than one tax type. Sole proprietorships, corporations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit

TO QUALIFY FOR THE CREDIT:

The business must establish a work-based learning program and have the program approved by the Maryland State Department of Education. The business must also hire at least one student for placement in the program that is at least 16, but less than 23 years old or who turns 23 years old while in the program, and is enrolled in a secondary or post-secondary school in Maryland. The business must also employ each student for at least 200 hours.

FOR MORE INFORMATION, CONTACT:

Maryland State Department of Education
Division of Career Technology and Adult Learning
200 W. Baltimore Street
Baltimore, MD 21201
Phone: 410-767-0182
E-mail: jmholly@msde.state.md.us

Additional Programs

<p>Economic Development Bond Funds Subject to voter approval on an annual basis, Baltimore Development Corporation receives economic development general obligation bonds to use for loans, grants, property acquisition, and studies. The funds can only be used for capital expenses.</p>
<p>Empowerment Zone (EZ) Loan Fund The EZ Fund provides low interest loans of up to \$200,000 to businesses located in the federally designated Empowerment Zones. EZ loan funds may be used for equipment purchases or working capital needs.</p>
<p>Empowerment Zone Wage Tax Credit Empowerment Zone. Employers that operate in the Empowerment Zone are eligible for up to \$3,000 in wage tax credits per Empowerment Zone resident working for your business through 2009. The credit is 20 percent of the qualified zone wages paid or incurred during a calendar year. The amount of qualified zone wages you can use to figure the credit cannot be more than \$15,000 for each employee for each calendar year. As a result, the credit can be as much as \$3,000 (20 percent of \$15,000) per qualified zone employee each year.</p>
<p>Infrastructure Grants City provides financial assistance to reduce the cost of public infrastructure improvements such as roads and utilities.</p>
<p>Loan Guarantees In a few instances, BDC has provided loan or lease guarantees to businesses or developers. Montgomery Park Senator Theater</p>
<p>Payment in Lieu of Taxes (PILOT) State enabling legislation allows the City to offer an abatement of real estate taxes for up to 20 years on new commercial construction (office, multi-family residential, parking garages, and hotels) in selected downtown urban renewal areas.</p>
<p>Parking Subsidies The City can finance parking garages with parking revenue bonds. These revenue bonds are secured by the Parking Enterprise Fund, which pulls in all revenue from garages, parking tickets, parking meters, and parking taxes. Broadening the revenue base of the Enterprise Fund to include non-garage revenues makes the bonds more attractive to investors. Although not preferred by the Department of Finance, the enhanced revenue sources make it possible to reduce parking rates in certain garages for economic development purposes without hurting the attractiveness of the Enterprise Fund.</p>
<p>Revolving Loan Fund (RFL) West Side Revolving Loan Fund (WSRLF) The RLF, originally capitalized by a federal Economic Development Administration (EDA) grant, offers low interest loans to eligible businesses. RLF loan funds may be used for equipment purchases or working capital needs.</p>
<p>Tax Increment Financing (TIF) City issues bonds to pay for eligible infrastructure costs associated with major real estate development projects. The debt service on the bonds is paid from the incremental property taxes generated from the project. Belvedere Square</p>

<p>Enterprise Zone Real Estate Credit</p> <p>The real property tax credit is a 10-year credit against local real property tax improvements. The property tax credit is a reduction in the amount of taxes that would have been due on the increased value or assessment of property in which capital investments have been made. The amount of the credit is 80 percent of the taxes due on the assessed value of an expansion, renovation or capital improvement in the property over the first five years. The credit then decreases 10 percent annually thereafter to 30 percent in year 10.</p>
<p>Enterprise Zone Wage Tax Credit</p> <p>One- or three-year credit for wages paid to new employees. The general credit is a one-time \$1,000 credit per new worker. For economically disadvantaged employees, the credit increases to a total of \$6,000 per worker distributed over three years. When located in a Focus Area, the general credit is a one-time \$1,500 credit per new worker. In a Focus Area, for economically disadvantaged employees, the credit increases to a total of \$9,000 per worker distributed over three years.</p>
<p>Focus Area Personal Property Tax Credit</p> <p>Much of the Carroll Camden Business Park is designated a State Focus Area. Businesses locating with a Focus Area receive a 10-year credit against local personal property taxes. The amount of the credit is 80 percent of the personal property taxes due on new investment for first five years. The credit then decreases 10 percent annually thereafter to 30 percent in year 10. Available to companies moving into Montgomery Park.</p>
<p>Historic Property Real Estate Tax Credit</p> <p>A ten-year credit against local real property taxes is offered for substantial rehabilitation of historic structures. For projects greater than \$3.5 million, the credit is applied to 80 percent of the increased assessment for five years, declining 10 percent a year for an additional five years.</p>
<p>Emerging Technologies Center</p> <p>BDC operates incubators: the ETC in Canton; Bard Labs downtown; and ETC @ Eastern High School in Waverly. The development of these incubators was subsidized with local, state and federal funds, which enables BDC to provide below market rate rents to qualified tenants.</p>
<p>Land/Lease Write-down (including Purchase Money Mortgages)</p> <p>Sale or lease of city owned land or buildings for less than market value or at more favorable than market terms. Below market rate leases are available, subject to the “but-for”, in the BDC managed business centers: Raleigh Building, Park Circle Business Center, and 7 E. Redwood.</p>
<p>Workforce Training Grants</p> <p>Grants equal to the lesser of 50 percent of employee training costs or \$1,500.</p>
<p>Sunny Day Fund</p> <p>This fund promotes Maryland's participation in extraordinary economic development opportunities that provide significant returns to the State through creating and retaining employment as well as the creation of significant capital investments.</p>
<p>Maryland Industrial Development Financing Authority (MIDFA)</p> <p>Encourages private sector financing in economic development projects through the use of insurance, the issuance of tax-exempt and taxable revenue bonds and linked deposits. The use of insurance reduces the lender's risk in the project to an acceptable level. The project must be in a Priority Funding Area.</p>

MEDAAF

There are five financing capabilities offered through this incentive program, with assistance being provided to the business community and political jurisdictions. To qualify for assistance from MEDAAF, applicants are restricted to businesses located within a priority funding area and an eligible industry sector. With a few exceptions, assistance cannot exceed 70 percent of the total project costs unless the recipient is the Maryland Economic Development Corp. (MEDCO), which can request 100 percent assistance.

One Maryland Infrastructure Grants

This fund promotes the creation of industrial parks and other needed infrastructure in qualified distressed counties through direct funding of projects identified in the local strategic plan for economic development. The eligible recipients include a local government and MEDCO.

Job Creation Tax Credit

Corporate income tax credits are granted to a business that will create at least 60 new permanent full-time jobs within a two-year period. In designated priority areas, the minimum number is 25 new permanent full-time jobs.

Commuter Choice Tax Credit

Commuter Choice. A Maryland state tax credit gives Maryland employers a 50 percent tax credit for every dollar spent on employee transit expenses, worth up to \$30 per employee per month in tax savings. The tax credit can be taken against the state income tax, financial institution franchise tax, and insurance premium tax.

Maryland Historic Tax Credit

Provides a 20 percent dollar-for-dollar state income tax credit (up to \$3 million) of eligible costs associated with the substantial rehabilitation of a certified historic structure. Rehabilitation must conform to the Secretary of the Interior's Standards for Rehabilitation and must be certified by the Maryland Historical Trust.

Workforce Training Grants

DBED offers a new number of programs to assist employers in remaining competitive in today's global economy, including: The Maryland Industrial Training Program (MITP) which provides reimbursement grants for training new employees in start-up or expanding businesses, the Partnership for Workforce Quality (PWQ) which reimburses 50% of training costs for eligible employers in manufacturing and technology companies, the Maryland ISO Consortium Program that helps companies achieve ISO certification, and the World Class manufacturing status.

Commuter Choice Tax Credit

Federal Commuter Tax Credit. The federal government allows payroll tax savings on amounts up to \$100 per employee per month to employers and employees with Commuter Choice Maryland programs. Federal law allows employers to offer three different types of transit/vanpool benefits: employer-paid, employee-paid pre-tax deduction, and combination (for example, the employer and employee share costs). Qualified first-year wages are qualified wages you pay or incur for work performed by a targeted group employee during the 1-year period beginning on the date the individual begins work for you. Qualified wages are generally wages subject to the Federal Unemployment Tax Act (FUTA) without regard to the FUTA dollar limit, but not more than \$6,000 each tax year for each employee (\$3,000 each tax year for a summer youth employee).

Welfare to Work Tax Credit.

The Taxpayer Relief Act of 1997 includes a Welfare To Work (WTW) tax credit that provides employers a tax credit on the first \$20,000 of eligible wages paid to qualified job seekers during their first two years of employment. This tax credit is equal to 35 percent of the first \$10,000 of wages earned in the employee's first year of employment and 50 percent of the first \$10,000 of wages earned in the employee's second year of employment. The maximum credit for the first year is \$3,500 per qualified employee, and the maximum credit for the second year is \$5,000 for a maximum total credit of \$8,500 per qualified new hire.