

Job Creation Tax Credit (JCTC)

Businesses that create a minimum number of new full-time positions may be entitled to state income tax credits of up to \$1,000 per job or \$1,500 per job in a "revitalization area."

BENEFIT

An income tax credit of 2.5% of aggregate annual wages for all newly created, full-time jobs up to \$1,000 per new job. In revitalization areas, the credit increases to 5% of annual wages, up to \$1,500 per new job. Credits may not exceed \$1 million per credit year. If the credit is more than the tax liability, the unused credit may be carried forward for five years.

ELIGIBILITY

- Declaration of Intent – A business may not claim any employees hired prior to the business notifying the Department of Business and Economic Development (DBED) of its intent to seek certification for the Job Creation Tax Credit.
- Certification – A business must be certified as a qualified business entity eligible for the tax credit. To be certified, a business must submit applications to DBED (see below).
- Job Creation Minimums – The business must create 60 new, full-time jobs at the facility during a 24-month period. In designated JCTC Priority Funding Areas (JCTC PFAs), the minimum is 25. Outside JCTC PFAs the requirement may be reduced to as few as 30 new jobs if the aggregate annual salary of the new employees exceeds 60 multiplied by the State's average annual salary.
 - The positions must be filled for 12 months.
 - Qualified positions are full-time and pay at least 150% of federal minimum wage.
 - The facility must be engaged in an eligible activity.
- The expansion or establishment of a business must be at a single location in the state. A single firm may have more than one eligible location, if each is certified and meets the requirements of the statute.

APPLY

The Job Creation Tax Credit remains in effect until January 1, 2020, subject to extension by the Maryland General Assembly.

Contact the **local county Economic Development office** in your jurisdiction to begin the process. The application process requires the business to declare its intent to DBED prior to creating new, qualified jobs. The business is encouraged to submit a Preliminary Application, along with the Employment Affidavit. The business must be certified as eligible for the tax credit by submitting a Final Application.

JCTC Application Materials:

- [Employment Affidavit](#)
- [Preliminary Application](#)
- [Final Application](#)