

# MD S 427, Introduced

Maryland

SUMMARY: Requires the Department of Commerce to evaluate the potential employment and economic growth of the State's industry sectors and establish a certain list of industry sectors and activities to be considered for additional support; repeals the Maryland Economic Development Commission and Commerce Subcabinet; alters the designation, administration, and purposes of and eligibility for certain economic development programs; alters eligibility for and the calculation of certain economic development incentives.~SAME AS: MD H 498#

Changes in Bill text reflected as:

~~Text Deleted~~

*Text Added*

~~Text Vetoed~~

Current Legislative Status

01/20/2025 INTRODUCED.

01/21/2025 To SENATE Committee on BUDGET AND TAXATION.

01/21/2025 To SENATE Committee on FINANCE.

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session: Maryland 2025 Regular Session - 447th Session of the General Assembly

cite: 2025 MD S 427

Introduced

January 20, 2025

Ferguson

**SENATE BILL 427**

By: **The President (By Request - Administration) and Senators Brooks, Charles, Ellis, Gile, Henson, Lam, Watson, and West**

Introduced and read first time: January 20, 2025

Assigned to: Budget and Taxation and Finance

A BILL ENTITLED

AN ACT concerning

**Economic Development - Delivering Economic Competitiveness and Advancing Development Efforts (DECADE) Act**

\*\*\*TEXT OMITTED, DOES NOT PERTAIN TO FILM\*\*\*

10-730.

(a) (1) In this section the following words have the meanings indicated.

(4) (i) "Film production activity" means:

1. the production of a film or video project that is intended for nationwide commercial distribution; and
2. for a television series, each season of the television series.

(ii) "Film production activity" includes the production of:

1. a feature film;
2. a television project;
3. a commercial;

4. a corporate film;
5. a music video;
6. a digital animation project;
7. a documentary; or
8. a talk, reality, or game show.

(iii) "Film production activity" does not include the production of:

1. a student film;
2. a noncommercial personal video;
3. a sports broadcast;
4. a broadcast of a live event;
5. a video, computer, or social networking game;
6. pornography;
7. an infomercial;
8. a digital product or an animation project other than a digital animation project; or
9. a multimedia project.

(7) "Qualified film production entity" means an entity that:

(i) is carrying out a film production activity; and

(ii) the Secretary determines to be eligible for the tax credit under this section in accordance with subsection (c) of this section.

(b) (1) A qualified film production entity may claim a credit against the State income tax for film production activities in the State in an amount equal to the amount stated in the final tax credit certificate approved by the Secretary for film production activities.

(2) If the tax credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the qualified film production entity for that taxable year, the qualified film production entity may claim a refund in the amount of the excess.

(f) (1) Except as provided in paragraph (2) of this subsection, the Secretary may not issue tax credit certificates for credit amounts in the aggregate totaling more than:

(i) for fiscal year 2014, \$25,000,000;

(ii) for fiscal year 2015, \$7,500,000;

(iii) for fiscal year 2016, \$7,500,000;

(iv) for fiscal year 2019, \$8,000,000;

(v) for fiscal year 2020, \$11,000,000;

(vi) for fiscal year 2021 through 2023, \$12,000,000;

(vii) for fiscal year 2024, \$15,000,000;

(viii) for fiscal year 2025, \$17,500,000; **AND**

(ix) for fiscal year 2026 **AND EACH FISCAL YEAR THEREAFTER**, \$20,000,000 ~~; and (x) for fiscal year 2027 and each fiscal year thereafter, \$12,000,000.~~

(2) If the aggregate credit amounts under the tax credit certificates issued by the Secretary total less than the maximum provided under paragraph (1) of this subsection in any fiscal year, any excess amount may be carried forward and issued under tax credit certificates in a subsequent fiscal year.

(3) ~~The Secretary may not issue tax credit certificates for credit amounts totaling more than \$10,000,000 in the aggregate for a single film production activity.~~

~~(4)~~ (i) For fiscal year 2019 and each fiscal year thereafter, the Secretary shall make 10% of the credit amount authorized under paragraph (1) of this subsection available for Maryland small or independent film entities.

(ii) If the total amount of credits applied for by Maryland small or independent film entities is less than the amount made available under subparagraph (i) of this paragraph, the Secretary shall make available the unused amount of credits for use by qualified film production entities.

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