

MARYLAND Appendix

Key MARYLAND Subsidy Programs

Program	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
Film Tax Credits - a rapidly growing program providing tax credits for 27% of production costs	\$25 million (FY 2014)	Source 1 Source 2	46/100
Job Creation Tax Credit - a corporate income tax credit for companies creating new jobs	\$2.2 million (FY 2012)	Source 1 Source 2	34/100
MEDAAF - a series of different grant and loan programs created to replace the controversial Sunny Day Fund	\$8.2 million (FY 2013)	Source 1 Source 2	69/100
One Maryland Tax Credit - two as-of-right industry-specific corporate income tax credits for companies locating in special zones	\$13.9 million (FY 2013)	Source 1 Source 2	34/100
R & D Tax Credit - a tax credit program subsidizing companies for up to 10 percent of R&D expenditures	\$6 million (FY 2012)	Source	28/100
Average of Disclosure Scores for All Programs			42% (211/500)

*See next page for scoring details

Show Us the Subsidized Jobs: Scoring Details for MARYLAND Programs		<i>Maximum possible score for category</i>	Film Tax Credits	Job Creation Tax Credit	MEDAAF	One Maryland Tax Credit	R & D Tax Credit
<i>Score criteria</i>							
Subsidy Value	BOTH amount approved AND actual amount disbursed/claimed (15) -	15	15	0	15	0	15
	Either amount approved OR actual amount disbursed/claimed (10) -or-						
	Performance-based with actual amount disbursed/claimed (15)						
Status of Award	Indication or whether award is completed, active, terminated (5)	15	10	0	15	0	5
	Disclosure of whether enforcement action taken (5)						
	Disclosure of amount clawed back or recalibrated or rescinded (5)						
Jobs Reporting	Number of jobs or training slots promised/projected ONLY (5) -or-	20	15	15	20	15	0
	Actual number of jobs created/retained or trainings ONLY (15) -or-						
	BOTH promised/projected and actual (20)						
Wages Reporting	Wage rates/payroll promised/projected only (10) -or-	20	0	0	0	0	0
	Actual wage rates/payroll only (15) -or-						
	Both promised and actual (18) -or-						
	Either promised and actual with wage disaggregation (20)						
Project Information	Location with street address (10)	15	0	10	10	10	10
	Indication whether the project is a relocation (3)						
	Project documents OR total subsidy package data (2)						
Company Information	DUNS or FEIN (2)	5	0	1	1	1	0
	NAICS (1)						
	Parent company (2)						
User Features	Ease of access (3)	10	6	8	8	8	3
	Multiple years of data (3)						
	Downloadable (2)						
	Part of or linked to a wider government transparency site (2)						
<i>Total before penalty</i>		100	46	34	69	34	33
<i>Penalty points (see reasoning on following page)</i>			0	0	0	0	-5
TOTAL PROGRAM SCORE			46	34	69	34	28

*See next page for notes on scoring

Maryland Program Scoring Notes

Main Disclosure Portal:

<http://choosemaryland.org/businessresources/Pages/FinanceTracker.aspx>

Relevant Annual Reports:

<http://www.choosemaryland.org/aboutdbed/pages/programreports.aspx>

Maryland created a database containing economic development information through its main disclosure portal (first link above) called the Finance Tracker. This database enables users to download economic development data into a spreadsheet. It includes information about the amount awarded and dispersed, job creation, local job creation, NAICS codes, full addresses of recipient companies, and multiple years of data.

Unfortunately, for tax credit programs, dollar values on the amount awarded and dispersed shows up as a zero in the Maryland Finance Tracker. We therefore do not award points for Subsidy Value to two programs: Film Tax Credits and Job Creation Tax Credits. This has been a longstanding issue in Maryland. However, for the first time ever in Maryland, the state now discloses the value of tax credit data within its R & D Tax Credit program. These are disclosed in the R & D Tax Credit program's annual report located on the second link above. Other annual reports provide additional data about economic development deals in Maryland. For instance, the MEDAAF annual report includes detailed descriptions of clawback enforcement actions.

Film Tax Credits

<http://www.marylandfilm.org/documents/FilmProductionEmploymentActTaxCreditReport2012FINAL.pdf>

<http://www.marylandfilm.org/documents/MFOEconomicImpactFY-listsfilms.pdf>

Ten points were awarded in the Status of the Award category for disclosing information about recipient status and whether an enforcement action was taken. Fifteen points were awarded for displaying both the preliminary certification and the final certification of tax credits.

Job Creation Tax Credit

http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/Job_Creation_Tax_Credit_Report.pdf

In addition to being disclosed in Maryland's Finance Tracker database, information about Job Creation Tax Credits are also disclosed in the annual report linked above. Despite tax credit information being disclosed in two other programs we looked at, Job Creation Tax Credit data was not disclosed and therefore did not receive points for Subsidy Value.

MEDAAF

[http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/MEDAAF Annual Report FY12.pdf](http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/MEDAAF%20Annual%20Report%20FY12.pdf)

In addition to being disclosed in Maryland's Finance Tracker database, information about MEDAAF recipients are also disclosed in the annual report linked above. Unfortunately, data about clawbacks are not disclosed in the Maryland Finance Tracker, but this information can be found on page 16 of the annual report.

It should be noted that MEDAAF is numerous types of economic developments rolled into one program. The acronym MEDAAF stands for Maryland Economic Development Assistance Authority and Fund. Not all of these are typical economic development subsidies: some pay for basic infrastructure investments, childcare, and local economic development plans. For the purposes of this report, we focused on MEDAAF capabilities 1, 2, and 5.

One Maryland Tax Credit

[http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/One Maryland Tax Credit.pdf](http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/One%20Maryland%20Tax%20Credit.pdf)

In addition to being disclosed in Maryland's Finance Tracker database, information about One Maryland Tax Credits is also disclosed in the annual report linked above. Despite tax credit information being disclosed in two other programs we looked at, One Maryland Tax Credit data was not disclosed and therefore did not receive points.

R & D Tax Credit

[http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/RandD Tax Credit Appendices.pdf](http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2012/RandD%20Tax%20Credit%20Appendices.pdf)

<http://www.choosemaryland.org/aboutdbed/Documents/ProgramReports/2011/ProgramReports2011-complete/RandDReportAppendices.pdf>

The R & D Tax Credit program received fifteen points for Subsidy Value as it is a performance-based program and discloses the amount actually disbursed. Unlike two other tax credit programs we looked at in Maryland, the value of the subsidy to the recipient is disclosed. Five

points were awarded in the Status of Award category for disclosing whether a recipient is active or not.

We penalized the program five points for failing to disclose address data in the most recent year (the first link above). Full addresses were disclosed in the 2010 annual report (second link above).