



General Assembly

January Session, 2021

Committee Bill No. 92

LCO No. 2646



Referred to Committee on COMMITTEE ON CHILDREN

Introduced by:
(KID)

***AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS THAT
MAKE PAYMENTS TOWARD CHILD CARE COSTS OF EMPLOYEES.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2021, and applicable to income years*
2 *commencing on or after January 1, 2022*) (a) As used in this section:

3 (1) "Eligible child care cost" means the expense incurred by a qualified
4 employee for child care services provided by a child care center or group
5 child care home, as such terms are described in section 19a-77 of the
6 general statutes; and

7 (2) "Qualified employee" means any person who works and resides
8 in the state.

9 (b) (1) For income years commencing on or after January 1, 2022, an
10 employer that makes a payment to or on behalf of a qualified employee
11 for an eligible child care cost of such qualified employee may claim a
12 credit against the tax imposed under chapter 207 or 208 of the general
13 statutes. Such credit shall be equal to fifty per cent of the amount of the

14 payment made during the income year by such employer for an eligible
15 child care cost and shall not exceed two thousand five hundred dollars
16 for each qualified employee for whom such employer makes such
17 payment. An employer claiming a credit under this section shall not
18 claim any other credit against the employer's tax liability under any
19 provision of the general statutes for the same payment of an eligible
20 child care cost.

21 (2) An employer may claim the credit under subdivision (1) of this
22 subsection for a payment made during the part of the income year that
23 the qualified employee worked and resided in the state, provided a
24 qualified employee who worked and resided in the state for any part of
25 a month shall be deemed to have worked and resided in the state for the
26 entire month.

27 (c) An employer that claims the credit under subsection (b) of this
28 section shall provide any documentation required by the Commissioner
29 of Revenue Services in a form and manner prescribed by the
30 commissioner.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021, and applicable to income years commencing on or after January 1, 2022</i>	New section

KID

Joint Favorable C/R

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