

HOUSE No. 2876

The Commonwealth of Massachusetts

PRESENTED BY:

Daniel M. Donahue

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing a child care tax credit.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>	<i>2/1/2021</i>
<i>Carlos González</i>	<i>10th Hampden</i>	<i>2/26/2021</i>
<i>Mathew J. Muratore</i>	<i>1st Plymouth</i>	<i>2/26/2021</i>
<i>Natalie M. Blais</i>	<i>1st Franklin</i>	<i>2/26/2021</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>	<i>3/2/2021</i>
<i>Michael J. Soter</i>	<i>8th Worcester</i>	<i>3/5/2021</i>

HOUSE No. 2876

By Mr. Donahue of Worcester, a petition (accompanied by bill, House, No. 2876) of Daniel M. Donahue and others for legislation to establish a credit for child care service expenses. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act establishing a child care tax credit.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 6 of Chapter 62 of the General Laws is hereby amended by
2 inserting after subsection (p) the following new subsection:-

3 (q) A credit for child care services expenses paid by the taxpayer shall be allowed against
4 the tax liability imposed by this chapter, for a taxpayer filing single, married filing jointly or
5 head of household. Said child care service must be a provider licensed by the Commonwealth in
6 order to qualify for the tax credit. The child receiving child care services must be a dependent of
7 the taxpayer. The total credit allowable per tax year shall not exceed two thousand five hundred
8 dollars per child. Only one taxpayer of the two taxpayers who file jointly married filing shall be
9 eligible to qualify for the tax credit.

10 SECTION 2. Section 6 of Chapter 62, as appearing in the 2014 Official Edition, is further
11 amended by inserting the following new subsection:-

12 (r) There shall be a credit against the tax liability imposed by this chapter, for a child care
13 provider. The tax credit amount shall be an amount based upon the average monthly number of
14 children who are attending a child care facility or facilities operated by the child care provider,
15 multiplied by an amount which shall be based upon the Massachusetts quality rating and
16 improvement system, (QRIS) as follows: the Quality Rating of Child Care Facility as Tax Credit
17 Per Eligible Child Attending: level 1 at 0\$, level 2 at \$1,250, level 3 at \$2,500, level 4 at \$3,750,
18 and level 5 at \$5,000.