
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 495 Session of
2017

INTRODUCED BY SCHLOSSBERG, CHARLTON, BULLOCK, DONATUCCI,
DRISCOLL, FREEMAN, LONGIETTI, MADDEN, McNEILL, NEILSON,
O'BRIEN, ROEBUCK, ROZZI, SAYLOR, SCHWEYER, SIMMONS AND
SOLOMON, FEBRUARY 14, 2017

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 14, 2017

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," providing for caregiver tax credit.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
14 the Tax Reform Code of 1971, is amended by adding an article to
15 read:

16 ARTICLE XVIII-H

17 CAREGIVER TAX CREDIT

18 1801-H. Scope of article.

19 This article relates to caregiver tax credits.

20 1802-H. Definitions.

21 The following words and phrases when used in this article

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 "Credit." The caregiver tax credit provided for under this
4 article.

5 "Department." The Department of Human Services of the
6 Commonwealth.

7 "Taxpayer." An individual subject to payment of taxes under
8 Article III.

9 1803-H. Tax credit.

10 (a) General rule.--For taxable years beginning on or after
11 January 1, 2018, a credit shall be allowed against a taxpayer's
12 aggregate tax liability under section 302 for taxpayers with an
13 adjusted gross income of less than \$40,000. The amount of the
14 credit shall equal 50% of the Federal dependent care credit that
15 the taxpayer is eligible for in the taxable year under section
16 21 of the Internal Revenue Code of 1986 (Public Law 99-514, 26
17 U.S.C. § 1 et seq.).

18 (b) Exception.--The amount of the credit for a taxpayer with
19 an adjusted gross income of less than \$20,000 shall equal the
20 Federal dependent care credit that the taxpayer is eligible for
21 in any case without regard to a limitation imposed under section
22 26 of the Internal Revenue Code of 1986.

23 1804-H. Application.

24 Eligible taxpayers must apply for the credit by submitting an
25 application to the department. The department shall issue a
26 certification for an approved application to the taxpayer. The
27 taxpayer shall attach the certification to the applicable income
28 tax return.

29 1805-H. Guidelines.

30 The department shall establish guidelines necessary to

1 implement this article.

2 Section 2. This act shall take effect in 60 days.