

118TH CONGRESS
2D SESSION

H. R. 8004

To amend the Internal Revenue Code of 1986 to establish a refundable credit for qualified child care startup expenses.

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 2024

Mr. JACKSON of North Carolina (for himself, Mrs. FOUSHEE, Ms. BARRAGÁN, Ms. SÁNCHEZ, Ms. PRESSLEY, Ms. CHU, Mr. KIM of New Jersey, Ms. TLAIB, Ms. TITUS, Ms. NORTON, Ms. ROSS, Mrs. CHERFILUS-McCORMICK, Ms. BROWNLEY, Ms. JACKSON LEE, Mr. TAKANO, Mr. DELUZIO, Mr. FROST, Mr. CASTEN, Mrs. WATSON COLEMAN, Mrs. RAMIREZ, Ms. PEREZ, Mr. NICKEL, Ms. GARCIA of Texas, Mr. CARSON, and Mr. GOTTHEIMER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to establish a refundable credit for qualified child care startup expenses.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Expanding Child Care
5 Access Act of 2024”.

1 **SEC. 2. LICENSED FAMILY CHILD CARE CREDIT.**

2 (a) IN GENERAL.—Subpart C of part IV of sub-
3 chapter A of chapter 1 of the Internal Revenue Code of
4 1986 is amended by inserting after section 36C the fol-
5 lowing new section:

6 **“SEC. 36D. LICENSED FAMILY CHILD CARE CREDIT.**

7 “(a) IN GENERAL.—In the case of a qualified tax-
8 payer, there shall be allowed as a credit against the tax
9 imposed by this subtitle for any taxable year an amount
10 equal to so much of the qualified child care startup ex-
11 penses of the taxpayer for such taxable year or for the
12 preceding taxable year as do not exceed \$5,000.

13 “(b) QUALIFIED TAXPAYER.—For purposes of this
14 section, the term ‘qualified taxpayer’ means, with respect
15 to a taxable year, a taxpayer that operates a qualified fam-
16 ily child care provider.

17 “(c) QUALIFIED FAMILY CHILD CARE PROVIDER.—
18 For purposes of this section, the term ‘qualified family
19 child care provider’ means a family child care provider
20 that, with respect to a taxable year—

21 “(1) provides child care services for compensa-
22 tion that, as of the last day of such taxable year, is
23 licensed or registered under State law and satisfies
24 State and local requirements applicable to the child
25 care services it provides,

1 “(2) primarily provides child care at the tax-
2 payer’s primary residence, and

3 “(3) provided child care services to not less
4 than 2 children (excluding children of such taxpayer)
5 for a significant portion of such taxable year.

6 “(d) QUALIFIED CHILD CARE STARTUP EX-
7 PENSES.—For purposes of this section, the term ‘qualified
8 child care startup expenses’ means amounts paid or in-
9 curred for any of the following in order to establish and
10 operate a qualified family child care provider:

11 “(1) Child care licensing fees.

12 “(2) Child care supplies including diapers, food,
13 toys, and learning materials.

14 “(3) Liability insurance.

15 “(4) Fencing and installation of such fencing.

16 “(5) Outdoor playground equipment and instal-
17 lation of such equipment.

18 “(6) Furniture necessary to provide child care.

19 “(7) Salary of an employee other than the tax-
20 payer.

21 “(8) Printer and computers.

22 “(9) Professional training required as a condi-
23 tion of State licensure or registration.

1 “(10) Remediation or renovation of the tax-
2 payer’s primary residence required as a condition of
3 State licensure or registration.

4 “(e) LIMITATIONS.—No credit shall be allowed under
5 subsection (a) to any taxpayer to whom a credit was al-
6 lowed under such subsection in any other taxable year.

7 “(f) DENIAL OF DOUBLE BENEFIT.—No credit shall
8 be allowed under subsection (a) for any expense for which
9 a deduction or credit is allowed under any other provision
10 of this chapter.

11 “(g) REGULATIONS.—The Secretary shall issue such
12 regulations or other guidance as may be necessary or ap-
13 propriate to carry out the purposes of this section, includ-
14 ing regulations relating to such information reporting and
15 coordination with state and local licensing or registration
16 entities as the Secretary determines appropriate.

17 “(h) SUNSET.—No credit shall be allowed under sub-
18 section (a) for any taxable year beginning after the date
19 that is 7 years after the date of the enactment of this
20 section.”.

21 (b) CONFORMING AMENDMENT.—Section 1324(b)(2)
22 of title 31, United States Code, is amended by inserting
23 “36D,” after “36B,”.

24 (c) CLERICAL AMENDMENT.—The table of sections
25 for subpart C of part IV of subchapter A of chapter 1

1 of the Internal Revenue Code of 1986 is amended by in-
2 serting after the item relating to section 36C the following
3 new item:

“Sec. 36D. Licensed family child care credit.”.

4 (d) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to amounts paid or incurred after
6 the date of the enactment of this Act.

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