

HOUSE BILL 154

Q3

71r1309

By: **Delegates Minnick, Benson, Kirk, Krysiak, and Vallario**

Introduced and read first time: January 25, 2007

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit for Employer-Provided Child Care for Employees**

3 FOR the purpose of allowing a State income tax credit for certain expenses paid or
4 incurred by an employer during the taxable year to provide on-site child care
5 for employees at the employer's business location in this State; providing for the
6 application of this Act; and generally relating to a State income tax credit for
7 certain expenses paid or incurred by an employer to provide on-site child care
8 for employees.

9 BY adding to

10 Article – Tax – General

11 Section 10-726

12 Annotated Code of Maryland

13 (2004 Replacement Volume and 2006 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – Tax – General**

17 **10-726.**

18 (A) **AN EMPLOYER MAY CLAIM A CREDIT AGAINST THE STATE INCOME**
19 **TAX IN AN AMOUNT EQUAL TO 25% OF THE EXPENSES PAID OR INCURRED BY**
20 **THE EMPLOYER DURING THE TAXABLE YEAR TO PROVIDE ON-SITE CHILD CARE**
21 **FOR EMPLOYEES AT THE EMPLOYER'S BUSINESS LOCATION IN THIS STATE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) (1) THE TOTAL AMOUNT OF THE CREDIT ALLOWED UNDER THIS**
2 **SECTION FOR ANY TAXABLE YEAR MAY NOT EXCEED THE STATE INCOME TAX**
3 **FOR THAT TAXABLE YEAR, CALCULATED BEFORE THE APPLICATION OF THE**
4 **CREDITS UNDER THIS SECTION AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE,**
5 **BUT AFTER APPLICATION OF THE OTHER CREDITS ALLOWABLE UNDER THIS**
6 **SUBTITLE.**

7 **(2) THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE**
8 **YEAR MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2007, and shall be applicable to all taxable years beginning after December 31,
11 2006.