

SB 594 STAFF MEASURE SUMMARY

Senate Committee On Human Services

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Sub-Referral To: Joint Committee On Tax Credits

Meeting Dates: 2/20, 2/22

WHAT THE MEASURE DOES:

Restores availability of employment-related child care tax credit and extends credit sunset. Increases child-care tax credit by doubling applicable percentage of child care expenses allowed as credit. Applies to tax years beginning on or after January 1, 2016, and before January 1, 2022. Takes effect 91st day following adjournment sine die.

FISCAL: May Have Fiscal Impact, But No Statement Yet Issued

REVENUE: May Have Revenue Impact, But No Statement Yet Issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

On January 1, 2016, the tax credit for child-care expenses for qualified taxpayers expired. Senate Bill 594 revives the tax credit for child-care expenses and doubles the applicable percentage of child-care expenses that qualify for the credit. The measure extends the sunset and applies to tax years between the original sunset of January 1, 2016 and January 1, 2022.