

§2524. Credit for employer-assisted day care

1. Credit allowed. A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year equal to the lowest of:

- A. Five thousand dollars; [PL 1987, c. 343, §8 (NEW).]
- B. Twenty percent of the costs incurred by the taxpayer in providing day care service for children of employees of the taxpayer; or [PL 1987, c. 343, §8 (NEW).]
- C. One hundred dollars for each child of an employee of the taxpayer enrolled on a full-time basis, or each full-time equivalent, throughout the taxable year in day care service provided by the taxpayer or in the first year that the taxpayer provides day care services, for each child enrolled on a full-time basis, or each full-time equivalent, on the last day of the year. [PL 1987, c. 343, §8 (NEW).]

[PL 1989, c. 502, Pt. B, §48 (AMD).]

2. Definitions. As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

- A. "Employing unit" has the same meaning as in Title 26, section 1043. [PL 1987, c. 343, §8 (NEW).]
- B. "Providing day care services" means expending funds to build, furnish, license, staff, operate or subsidize a day care center licensed by the Department of Health and Human Services to provide day care services to children of employees of the taxpayer at no profit to the taxpayer or to contract with a day care facility licensed by or registered with the department to provide day care services to children of the employees of the taxpayer. "Providing day care services" also includes the provision of day care resource and referral services to employees and the provision of vouchers by an employer to an employee for purposes of paying for day care services for children of the employee. [PL 1987, c. 343, §8 (NEW); PL 2003, c. 689, Pt. B, §6 (REV).]
- C. "Quality child care services" has the meaning set forth in section 5219-Q, subsection 1. [PL 2001, c. 396, §25 (AMD).]

[PL 2001, c. 396, §25 (AMD); PL 2003, c. 689, Pt. B, §6 (REV).]

3. Carryover; carry back. The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this section. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years or it may be carried back for a period not to exceed 3 years.

[PL 1987, c. 343, §8 (NEW).]

4. Quality child care services. The credit allowed under subsection 1 doubles in amount if the day care service provided by the taxpayer constitutes quality child care services.

[PL 2001, c. 358, Pt. D, §1 (AFF); PL 2001, c. 396, §26 (AMD).]

5. Application. Except for the unused credit carried over pursuant to subsection 3, a tax credit is not allowed under this section for tax years beginning on or after January 1, 2016.

[PL 2015, c. 390, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 343, §8 (NEW). PL 1989, c. 502, §B48 (AMD). PL 1999, c. 401, §§NNN1,2 (AMD). PL 1999, c. 401, §§NNN8,9 (AFF). PL 2001, c. 358, §D1 (AFF). PL 2001, c. 396, §§25,26 (AMD). PL 2003, c. 689, §B6 (REV). PL 2015, c. 390, §6 (AMD).

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