PROPOSED AMENDMENT
HB 1177 # 6

DIGEST

Employer child care expenditure tax credit. Increases the maximum number of employees for purposes of an employer's eligibility for the employer child care expenditure tax credit (tax credit). Repeals limitations on the maximum tax credit per taxpayer and the maximum aggregate amount of tax credits allowed each state fiscal year.

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1   Page 3, line 6, delete "five hundred (500)" and insert "**seven**
2   **hundred fifty (750)**".
3   Page 3, between lines 9 and 10, begin a new paragraph and insert:
4   "SECTION 5. IC 6-3.1-39.5-8, AS ADDED BY P.L.201-2023,
5   SECTION 103, IS AMENDED TO READ AS FOLLOWS
6   [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 8. (a) A
7   taxpayer that makes a qualified expenditure in a taxable year is entitled
8   to a credit against the taxpayer's state tax liability for the taxable year.
9   (b) Subject to section 9 of this chapter, the maximum amount of the
10   credit to which a taxpayer is entitled in a particular taxable year is
11   equal to ~~the lesser of~~
12   ~~(1)~~ fifty percent (50%) of the employer's qualified expenditures
13   in the taxable year. ~~or~~
14   ~~(2) one hundred thousand dollars ($100,000).~~".
15   Page 3, between lines 39 and 40, begin a new paragraph and insert:
16   "SECTION 7. IC 6-3.1-39.5-14 IS REPEALED [EFFECTIVE
17   JANUARY 1, 2026 (RETROACTIVE)]. ~~Sec. 14. (a) The maximum~~
18   ~~aggregate amount of tax credits allowed under this chapter may not~~
19   ~~exceed two million five hundred thousand dollars ($2,500,000) in each~~
20   ~~state fiscal year.~~
21   ~~(b) The department shall record the time of filing of each return~~
22   ~~claiming a tax credit under this chapter and shall approve the tax~~
23   ~~credits, if they otherwise qualify for a tax credit under this chapter, in~~
24   ~~the chronological order in which the returns are filed in the state fiscal~~
25   ~~year.~~".
26   Renumber all SECTIONS consecutively.

(Reference is to HB 1177 as introduced.)