

L.D. 1555

#### 1 Date: 6/6/25 2 (Filing No. H- 570) ATORITY 3 TAXATION 4 Reproduced and distributed under the direction of the Clerk of the House, 5 STATE OF MAINE 6 HOUSE OF REPRESENTATIVES 7 **132ND LEGISLATURE** 8 FIRST SPECIAL SESSION COMMITTEE AMENDMENT "A" to H.P. 1013, L.D. 1555, "An Act to Establish an Employer Tax Credit for Qualifying Child Care Costs" 9 10 11 Amend the bill in section 2 in §5217-G in subsection 2 in the 2nd line (page 1, line 19 12 in L.D.) by striking out the following: "refundable" Amend the bill in section 2 in §5217-G in subsection 2 in paragraph A in the 2nd line 13 14 (page 1, line 22 in L.D.) by striking out the following: "\$8,000" and inserting the following: 15 '\$3,000' Amend the bill in section 2 in §5217-G in subsection 2 by striking out all of paragraph 16 17 B (page 1, line 24 in L.D.) and inserting the following: 18 'B. Nine thousand dollars per employee, 19 The maximum credit an employing unit may receive in a single tax year is \$36,000. 20 An employing unit providing child care services is required to provide child care services 21 of similar type and quality to all employees of the employing unit to qualify for the credit. 22 Amend the bill in section 2 in §5217-G in subsection 3 in the last line (page 1, line 26 23 in L.D.) by striking out the following: "15" and inserting the following: '5' 24 Amend the bill in section 2 in §5217-G in subsection 4 in the last line (page 1, line 34 25 in L.D.) by inserting after the following: "State," the following: 'The review must include comparative employee retention and benefits data for participating employing units with 26 27 50 or fewer employees both before and after engagement with the child care tax credit 28 program under this section.' 29 Amend the bill by inserting after section 2 the following: 30 'Sec. 3. Appropriations and allocations. The following appropriations and 31 allocations are made. 32 ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF 33 **Revenue Services, Bureau of 0002**

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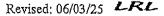
# COMMITTEE AMENDMENT

R05	COMMITTEE AMENDMENT "A" 10 H.P. 1013, L.D. 1555					
1	Initiative: Provides one-time funding for computer programming costs.					
2	GENERAL FUND 2025-26	2026-27				
3	All Other \$0	\$12,844				
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5	GENERAL FUND TOTAL \$0	\$12,844				
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7	Amend the bill by relettering or renumbering any nonconsecutive Part letter or section					
8	number to read consecutively.					
9	SUMMARY					
10	This amendment removes the refundability of the tax credit provided in the bill, reduces					
11	the number of years the tax credit may be carried forward from 15 to 5 and reduces the per					
12	child maximum tax credit from \$8,000 to \$3,000. It removes the \$80,000 tax credit cap for					
13	an employer and instead caps an employer's reimbursement at \$9,000 per participating					
14	employee. The amendment requires an employer to make the child care program available					
15	to any employee in the employment unit in order to qualify for the tax credit. It includes in					
16	the legislative review of the tax credit program an evaluation of employee retention and					
17	benefits data for participating employers with 50 or fewer employees.					
18	FISCAL NOTE REQUIRED					
19	(See attached)					

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## **COMMITTEE AMENDMENT**





## **132nd MAINE LEGISLATURE**

### LD 1555

#### LR 276(02)

#### An Act to Establish an Employer Tax Credit for Qualifying Child Care Costs

### Fiscal Note for Bill as Amended by Committee Amendment 'A'' (H-570) Committee: Taxation Fiscal Note Required: Yes

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	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings) General Fund	\$0	\$107,844	\$95,000	\$95,000
Appropriations/Allocations General Fund	\$0	· \$12,844	\$0	\$0
Revenue		, ,		ψŬ
General Fund Other Special Revenue Funds	\$0 \$0	(\$95,000) (\$5,000)	(\$95,000) (\$5,000)	(\$95,000) (\$5,000)

#### Legislative Cost/Study

The responsibilities outlined in this bill are already reflected in statutorily assigned work for Legislature's Office of Program Evaluation and Government Accountability in reviewing tax expenditures and will be absorbed within the existing staff and budget resources beginning in 2030.

#### Fiscal Detail and Notes

This bill includes an ongoing revenue decrease to the General Fund of \$95,000 starting in fiscal year 2026-27 by establishing a nonrefundable employer tax credit for qualifying child care costs in an amount up to nine thousand dollars per employee and up to thirty-six thousand dollars per employer for tax years beginning on or after January 1, 2026. The bill also includes an ongoing revenue decrease to the Local Government Fund of \$5,000 starting in fiscal year 2026-27.

Additionally, the bill includes a one-time General Fund appropriation to the Bureau of Revenue Services within the Department of Administrative and Financial Services of \$12,844 in fiscal year 2026-27 to fund computer programming costs associated with the provisions of this bill.