

MAINE STATE LEGISLATURE

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L.D. 1864

(Filing No. H-579)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
112TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1329, L.D. 1864, Bill, "AN ACT to Encourage Employers to Assist their Employees in Meeting Their Child Care Needs and Expenses."

Amend the bill by inserting at the beginning of the first line after the enacting clause (page 1, line 23 in L.D.) the following: 'Sec. 1.'

Further amend the bill in that part designated "§5217." in subsection 2, paragraph B, in the last line (page 2, line 22 in L.D.) by inserting after the underlined word and punctuation "taxpayer." the following: "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.'

Further amend the bill by inserting at the end before the statement of fact the following:

'4. Exclusivity of credit. The credit allowed by this section is in lieu of any deduction otherwise allowable under this Part for the portion of costs incurred attributable to the providing of day care services for which the credit is claimed.

Sec. 2. Application. This Act shall apply to tax years beginning on or after January 1, 1986.

FISCAL NOTE

It is estimated that enactment of this bill will result in the following effect on revenues.

COMMITTEE AMENDMENT "A" to H.P. 1329, L.D. 1864

1		<u>1986-87</u>
2	General Fund	\$(47,450)
3	Local Government Fund	(2,550)'

4 STATEMENT OF FACT

5 This amendment adds a fiscal note and clarifies
6 the intent of the original bill by including day care
7 resource and referral services and employee vouchers
8 among the activities which qualify for the income tax
9 credit. The amendment also adds a provision to en-
10 sure that employers who claim the credit do not get a
11 double benefit by claiming a deduction for the same
12 expenses.

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Reported by the Committee on Taxation
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3/14/86 (Filing No. H-579)