

SENATE BILL NO. 2305

Introduced by

Senators Oban, Bekkedahl, Poolman, Dotzenrod

Representatives Beadle, P. Anderson

1 A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota
2 Century Code, relating to a corporate income tax credit for reimbursement of employee child
3 care expenditures; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 57-38 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Corporate income tax credit for reimbursement of employee child care expenditures.**

- 8 1. A corporation reimbursing an employee for qualified child care expenditures is allowed
9 a credit against the tax imposed by section 57-38-30 in an amount equal to the
10 amount reimbursed by the corporation to its employees during the taxable year.
11 2. For purposes of this section, "qualified child care expenditures" means the amount
12 paid by the legal guardian of a minor during the taxable year for child care services
13 provided by a home, group, or center licensed by the department of human services.
14 3. The taxpayer shall claim the total credit amount for the taxable year in which the
15 qualified child care expenditures were reimbursed.
16 4. If the amount of the credit determined under this section exceeds the taxpayer's
17 liability for tax under this chapter, the excess may be carried forward to future taxable
18 years.
19 5. Reimbursed qualified child care expenditures under this section may not be used in
20 the calculation of any other income tax deduction or credit allowed under state law.
21 6. To receive the tax credit provided under this section, a taxpayer shall claim the credit
22 in the form and manner prescribed by the tax commissioner.

23 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
24 December 31, 2016.