

**HOUSE BILL NO. 1164**

Introduced by

Representatives P. Anderson, Beadle, D. Johnson, Maragos, Schneider, Streytle, Boschee  
Senators Armstrong, Dotzenrod, Oban

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.