

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1179

Short Title: Universal Child Care Credit.

(Public)

Sponsors: Representatives Balmer; Arnold, Barbee, Berry, Brawley, J. Brown, Creech, Culp, Daughtry, Decker, Dockham, Edwards, Ellis, Esposito, Flaherty, Gardner, Grady, Hayes, Holmes, Howard, Ives, Justus, Lemmond, McCombs, Miner, Mitchell, Morgan, Nichols, J. Preston, Robinson, Russell, Tallent, G. Thompson, C. Wilson, and Wood.

Referred to: Finance.

April 20, 1993

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A UNIVERSAL CHILD CARE TAX CREDIT FOR THE PARENTS OF CHILDREN UNDER AGE SIX.

The General Assembly of North Carolina enacts:

Section 1. Division II of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-151.11A. Universal child care credit.

(a) There is allowed as a credit against the tax imposed by this Division an amount equal to two hundred sixty dollars (\$260.00) for each of a taxpayer's children under the age of six that the taxpayer claims as a dependent under section 151 of the Code for the taxable year. For the purpose of this section, a taxpayer's child includes the taxpayer's daughter, stepdaughter, son, or stepson.

(b) The credit allowed by this section may not exceed the amount of tax imposed by this Division for the taxable year reduced by the sum of all credits allowable, except for payments of tax by or on behalf of the taxpayer. A taxpayer who is eligible for the credit allowed under this section is not eligible for the credit allowed under G.S. 105-151.11."

Sec. 2. G.S. 105-151.11(e) reads as rewritten:

"(e) No credit shall be allowed under this section with respect to employment-related expenses paid by a nonresident of this State. A taxpayer who is eligible for the

1 credit allowed under G.S. 105-151.11A is not eligible for the credit allowed under this
2 section."

3 Sec. 3. This act is effective for taxable years beginning on or after January 1,
4 1993.