

PROPOSED AMENDMENT

ES 2 # 8

DIGEST

Child care deduction and credit. Provides a state income tax deduction in the amount of \$5,000 to an individual who claimed the federal child and dependent care tax credit for the 2024 taxable year. Provides a refundable state income tax credit to an individual for each child or dependent who received attendant care services during the 2024 calendar year.

- 1 Page 1, between lines 12 and 13, begin a new paragraph and insert:
2 "SECTION 2. IC 6-3-2-30 IS ADDED TO THE INDIANA CODE
3 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2024 (RETROACTIVE)]: **Sec. 30. (a) As used in this**
5 **section, "qualified individual" means an individual who claimed**
6 **the federal child and dependent care tax credit under Section 21 of**
7 **the Internal Revenue Code for the 2024 taxable year.**
8 **(b) Each taxable year, a qualified individual is entitled to a**
9 **deduction from the qualified individual's adjusted gross income for**
10 **the taxable year in the amount of five thousand dollars (\$5,000). A**
11 **husband and wife are entitled to only one (1) deduction under this**
12 **section.**
13 **(c) To receive the deduction allowed by this section, a qualified**
14 **individual must claim the deduction on the qualified individual's**
15 **annual state tax return or returns in the manner prescribed by the**
16 **department. The qualified individual shall submit to the**
17 **department any information that the department determines is**
18 **necessary to calculate the amount of the deduction allowed by this**
19 **section.**
20 SECTION 3. IC 6-3-3-15 IS ADDED TO THE INDIANA CODE
21 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
22 JANUARY 1, 2024 (RETROACTIVE)]: **Sec. 15. (a) As used in this**
23 **section, "attendant care services" has the meaning set forth in**
24 **IC 12-10-17.1-3.**
25 **(b) As used in this section, "qualified individual" means a**
26 **taxpayer whose child or dependent received attendant care**

1 services, including traumatic brain injury attendant care or
 2 structured family care, during the 2024 calendar year, regardless
 3 of whether the services were provided under:

4 (1) a home and community based services Medicaid waiver
 5 that provided reimbursement for legally responsible
 6 individuals to provide attendant care services;

7 (2) the structured family caregiving program administered by
 8 the office of the secretary of family and social services
 9 established by IC 12-8-1.5-1; or

10 (3) another program administered by the office of the
 11 secretary of family and social services established by
 12 IC 12-8-1.5-1.

13 (c) Each taxable year, a qualified individual is entitled to a
 14 credit against the individual's adjusted gross income tax liability
 15 in the amount of:

16 (1) two thousand five hundred dollars (\$2,500); multiplied by

17 (2) the number of the qualified individual's children and
 18 dependents who received attendant care services, including
 19 traumatic brain injury attendant care or structured family
 20 care, during the 2024 calendar year.

21 (d) If the amount of the credit under this section exceeds the
 22 qualified individual's state income tax liability for the taxable year,
 23 the excess shall be refunded to the qualified individual."

24 Page 21, between lines 31 and 32, begin a new paragraph and insert:
 25 "SECTION 32. [EFFECTIVE JANUARY 1, 2024
 26 (RETROACTIVE)] (a) IC 6-3-2-30 and IC 6-3-3-15, both as added
 27 by this act, are effective for taxable years beginning after
 28 December 31, 2023.

29 (b) This SECTION expires July 1, 2027."

30 Renumber all SECTIONS consecutively.

(Reference is to ESB 2 as printed February 22, 2024.)