

SENATE No. 1324

The Commonwealth of Massachusetts

PRESENTED BY:

Sal N. DiDomenico

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act creating an early educator earned income tax credit.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>
<i>Martha M. Walz</i>	<i>8th Suffolk</i>
<i>Thomas P. Conroy</i>	<i>13th Middlesex</i>
<i>Barry R. Finegold</i>	<i>Second Essex and Middlesex</i>
<i>Karen E. Spilka</i>	<i>Second Middlesex and Norfolk</i>
<i>Michael O. Moore</i>	<i>Second Worcester</i>
<i>Michael R. Knapik</i>	<i>Second Hampden and Hampshire</i>
<i>Katherine M. Clark</i>	<i>Fifth Middlesex</i>
<i>Benjamin Swan</i>	<i>11th Hampden</i>

SENATE No. 1324

By Mr. DiDomenico, a petition (accompanied by bill, Senate, No. 1324) of Sal N. DiDomenico, Martha M. Walz, Thomas P. Conroy, Barry R. Finegold and other members of the General Court for legislation to create an early educator earned income tax credit. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act creating an early educator earned income tax credit.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 6 of chapter 62 of the Massachusetts General Laws, as appearing in the 2010
2 Official Edition, is hereby amended by adding the following section:-

3 (s) The early educator earned income tax credit shall be based on the existing tax code
4 governing the earned income tax credit. and shall equal 30 per cent of the federal earned income
5 tax credit received by the taxpayer for the taxable year. If the amount of the credit allowed
6 exceeds the early educator’s liability, the commissioner shall treat such excess as an
7 overpayment and shall pay the early educator the amount of the excess, without interest.

8 (1) “Eligible early educator”, shall mean any person who meets each of the following
9 requirements:

10 (i) The person has been approved by the department of early education and care for the
11 regular care and education of children unrelated to the educator in a location outside the
12 children’s own home for all or part of the day, regardless of the early educator’s level of
13 certification.

14 (ii) The person has been employed continuously for 6 months of the tax year for an
15 average of 20 hours or more per week in an eligible child care program.

16 (iii) The person qualifies for the existing federal earned income tax credit.

17 (2) The department of early education and care shall consult its records to verify the
18 eligibility of early educators. This information will be shared with the department of revenue

19 with the goal of reducing potential administrative costs to the state created by an early educator
20 earned income tax credit.

21 (3) An early educator's earned income tax credit will be reviewed five years after the tax
22 code is amended for its inclusion. If it is found that there is a significant decrease in the need for
23 an early educator earned income tax credit, the bill will be subject to sunset. This review will
24 assess the tax credit on the following merits:

25 (i) Its use by early educators.

26 (ii) Its effectiveness in promoting job retention in the early education field.

27 (iii) The continued need of the earned income tax credit.