

106TH CONGRESS
2D SESSION

H. R. 4336

To amend the Internal Revenue Code of 1986 to increase the dependent care credit and to provide a minimum dependent care credit for stay-at-home parents.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2000

Ms. STABENOW introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase the dependent care credit and to provide a minimum dependent care credit for stay-at-home parents.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Child Care for Amer-
5 ica’s Families Act of 2000”.

6 **SEC. 2. EXPANSION OF DEPENDENT CARE TAX CREDIT.**

7 (a) INCREASE IN CREDIT.—Paragraph (2) of section
8 21(a) of the Internal Revenue Code of 1986 (defining ap-
9 plicable percentage) is amended to read as follows:

1 “(2) APPLICABLE PERCENTAGE DEFINED.—For
2 purposes of paragraph (1), the term ‘applicable per-
3 centage’ means 50 percent reduced (but not below
4 20 percent) by the number of percentage points
5 which bears the same ratio to 30 percentage points
6 as the excess of the taxpayer’s adjusted gross in-
7 come over \$10,000 bears to \$50,000.”

8 (b) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME
9 PARENTS.—Subsection (e) of section 21 of such Code (re-
10 lating to special rules) is amended by adding at the end
11 the following new paragraph:

12 “(11) MINIMUM CREDIT ALLOWED FOR STAY-
13 AT-HOME PARENTS.—Notwithstanding subsection
14 (d), in the case of any taxpayer with one or more
15 qualifying individuals described in subsection
16 (b)(1)(A) under the age of 1 at any time during the
17 taxable year, such taxpayer shall be deemed to have
18 employment-related expenses with respect to such
19 qualifying individuals in an amount equal to the
20 greater of—

21 “(A) the amount of employment-related ex-
22 penses incurred for such qualifying individuals
23 for the taxable year (determined under this sec-
24 tion without regard to this paragraph), or

1 “(B) \$100 for each month in such taxable
2 year during which such qualifying individual is
3 under the age of 1.”

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section apply to taxable years beginning after Decem-
6 ber 31, 2000.

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