

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE BILL 1951

Short Title: Increase Child Care Expenses Tax Credit. (Public)

Sponsors: Representatives Heagarty; Faison, Gill, Goodwin, Hughes, Jackson, Lucas, Parfitt, and Stewart.

Referred to: Ways and Means/Broadband Connectivity, if favorable, Finance.

May 25, 2010

A BILL TO BE ENTITLED
AN ACT TO INCREASE THE CHILD CARE EXPENSES TAX CREDIT.
The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-151.11(a1) reads as rewritten:

"(a1) Applicable Percentage. – For employment-related expenses that are incurred only with respect to one or more dependents who are seven years old or older and are not physically or mentally incapable of caring for themselves, the applicable percentage is the appropriate percentage in the column labeled "Percentage A" in the table below, based on the taxpayer's adjusted gross income determined under the Code. For employment-related expenses with respect to any other qualifying individual, the applicable percentage is the appropriate percentage in the column labeled "Percentage B" in the table below, based on the taxpayer's adjusted gross income determined under the Code.

Filing Status	Adjusted Gross Income	Percentage A	Percentage B
Head of Household	Up to \$20,000	9% <u>12%</u>	13% <u>15%</u>
	Over \$20,000 up to \$32,000	8% <u>11%</u>	11.5% <u>13.5%</u>
	Over \$32,000	7% <u>10%</u>	10% <u>12%</u>
Surviving Spouse or Joint Return	Up to \$25,000	9% <u>12%</u>	13% <u>15%</u>
	Over \$25,000 up to \$40,000	8% <u>11%</u>	11.5% <u>13.5%</u>
	Over \$40,000	7% <u>10%</u>	10% <u>12%</u>
Single	Up to \$15,000	9% <u>12%</u>	13% <u>15%</u>
	Over \$15,000		



1		up to \$24,000	8% <u>11%</u>	11.5% <u>13.5%</u>
2				
3				
4		Over \$24,000	7% <u>10%</u>	10% <u>12%</u>
5				
6	Married			
7	Filing			
8	Separately	Up to \$12,500	9% <u>12%</u>	13% <u>15%</u>
9				
10		Over \$12,500		
11		up to \$20,000	8% <u>11%</u>	11.5% <u>13.5%</u>
12				
13				
14		Over \$20,000	7% <u>10%</u>	10% <u>12%</u> "

SECTION 2. This act is effective for taxable years beginning on or after January 1,

16 2010.