

## **LD 394 An Act to Provide a Tax Benefit to Businesses That Invest in Quality Child Care**

**Bill Sponsor: Rep. Jill Conover**  
**Referred to: Taxation**  
**Committee vote: ONTP**

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### **SUMMARY**

This bill proposed to provide an income tax deduction for business in a Pine Tree Development Zone or within 25 miles. The deduction proposed was 10% of the cost of construction or renovation to a facility for the provision of child care services and 25% of the cost of direct support provided for child care for employees of the business – up to a \$5000 deduction. The child care services provided to be provided would have to be eligible for a quality differential rate as determined by DHHS

*Supporters argue that this program provides incentives to invest in NEW child care options which they believe the current tax benefits for supporting employee child care costs do not provide.*

**Cost to the General Fund – not determined**

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