

HB 2156 -- Motherhood/Fatherhood Stay-at-Home Tax Credit

Sponsor: Grill

Beginning January 1, 2008, this bill authorizes the Motherhood/Fatherhood Stay-at-Home tax credit for a parent who stays at home to provide care for her/his dependent child up to 24 months of age. Any parent who was gainfully employed before the birth or adoption of a child whose annual salary was less than \$100,000 in the year before choosing to become a stay-at-home parent is eligible for the tax credit. The credit will be 25% of the stay-at-home parent's annual salary if the salary is \$35,000 or less, 20% if the annual salary is between \$35,000 and \$70,000, or 15% if the annual salary is between \$70,000 and \$100,000. The tax credit cannot be refunded, transferred, sold, or assigned but can be carried forward up to three years. The annual cumulative amount of credits issued may not exceed \$2 million.

The provisions of the bill will expire December 31 six years after the effective date.