

PROPOSED AMENDMENT

ES 2 # 7

DIGEST

Child and dependent care tax deduction. Provides a state income tax deduction in the amount of \$5,000 to an individual who claimed the federal child and dependent care tax credit for the 2024 taxable year.

- 1 Page 1, between lines 12 and 13, begin a new paragraph and insert:
2 "SECTION 2. IC 6-3-2-30 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2024 (RETROACTIVE)]: **Sec. 30. (a) As used in this**
5 **section, "qualified individual" means an individual who claimed**
6 **the federal child and dependent care tax credit under Section 21 of**
7 **the Internal Revenue Code for the 2024 taxable year.**
- 8 **(b) Each taxable year, a qualified individual is entitled to a**
9 **deduction from the qualified individual's adjusted gross income for**
10 **the taxable year in the amount of five thousand dollars (\$5,000). A**
11 **husband and wife are entitled to only one (1) deduction under this**
12 **section.**
- 13 **(c) To receive the deduction allowed by this section, a qualified**
14 **individual must claim the deduction on the qualified individual's**
15 **annual state tax return or returns in the manner prescribed by the**
16 **department. The qualified individual shall submit to the**
17 **department any information that the department determines is**
18 **necessary to calculate the amount of the deduction allowed by this**
19 **section."**
- 20 Page 21, between lines 31 and 32, begin a new paragraph and insert:
21 "SECTION 31. [EFFECTIVE JANUARY 1, 2024
22 (RETROACTIVE)] **(a) IC 6-3-2-30, as added by this act, is effective**
23 **for taxable years beginning after December 31, 2023.**
- 24 **(b) This SECTION expires July 1, 2027."**
- 25 Renumber all SECTIONS consecutively.
 (Reference is to ESB 2 as printed February 22, 2024.)