

105TH CONGRESS  
1ST SESSION

# H. R. 315

To amend the Internal Revenue Code of 1986 to increase the child care credit for lower-income working parents, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 1997

Mr. SOLOMON introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the child care credit for lower-income working parents, and for other purposes.

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 Tax Credit  
5 Reform Act of 1997”.

6 **SEC. 2. CHILD CARE CREDIT AMENDMENTS.**

7 (a) INCREASE IN AMOUNT OF EMPLOYMENT-RELAT-  
8 ED EXPENSES TAKEN INTO ACCOUNT.—

9 (1) 1 QUALIFYING INDIVIDUAL.—Paragraph (1)  
10 of section 21(c) of the Internal Revenue Code of

1 1986 (relating to dollar limit on amount creditable)  
2 is amended by striking “\$2,400” and inserting  
3 “\$3,600”.

4 (2) 2 OR MORE QUALIFYING INDIVIDUALS.—  
5 Paragraph (2) of section 21(e) of such Code (relat-  
6 ing to dollar limit on amount creditable) is amended  
7 by striking “\$4,800” and inserting “\$5,400”.

8 (b) DENIAL OF CREDIT TO TAXPAYERS WHOSE AD-  
9 JUSTED GROSS INCOME IS \$50,000 OR MORE.—Para-  
10 graph (2) of section 21(a) of the Internal Revenue Code  
11 of 1986 (defining applicable percentage) is amended—

12 (1) by striking “(but not below 20 percent)”  
13 and inserting “(but not below zero)”, and

14 (2) by striking “1 percentage point for each  
15 \$2,000 (or fraction thereof)” and inserting “1½  
16 percentage points for each full \$2,000”.

17 (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to taxable years beginning after  
19 December 31, 1997.

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