



General Assembly

January Session, 2025

**Raised Bill No. 7240**

LCO No. 6307



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

***AN ACT ESTABLISHING A CREDIT AGAINST THE PERSONAL INCOME TAX FOR OWNERS OF FAMILY CHILD CARE HOMES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2026, and applicable to taxable*  
2 *years commencing on or after January 1, 2026*) (a) There shall be allowed a  
3 credit against the tax imposed by chapter 229 of the general statutes,  
4 other than the liability imposed by section 12-707 of the general statutes,  
5 for a taxpayer who owns a family child care home, as described in  
6 section 19a-77 of the general statutes and is licensed under section 19a-  
7 87b of the general statutes, in the amount of five hundred dollars per  
8 family child care home, to a maximum of three such care homes.

9 (b) If the taxpayer is an S corporation or an entity treated as a  
10 partnership for federal income tax purposes, the credit may be claimed  
11 by the taxpayer's shareholders or partners. If such taxpayer is a single  
12 member limited liability company that is disregarded as an entity  
13 separate from its owner, the credit may be claimed by such limited  
14 liability company's owner, provided such owner is subject to the tax

15 imposed under chapter 229 of the general statutes.

16 (c) If the amount of the credit allowed pursuant to this section exceeds  
17 such taxpayer's tax liability for the tax imposed under chapter 229 of the  
18 general statutes, the Commissioner of Revenue Services shall treat such  
19 excess as an overpayment and, except as provided in section 12-739 or  
20 12-742 of the general statutes, shall refund the amount of such excess,  
21 without interest, to such taxpayer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2026, and applicable to taxable years commencing on or after January 1, 2026</i>	New section

**Statement of Purpose:**

To establish a credit against the personal income tax for owners of family child care homes.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*