

SESSION OF 2021

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 263**

As Amended by Senate Committee on  
Assessment and Taxation

**Brief\***

SB 263, as amended, would allow any income or privilege taxpayer to claim the child day care services credit beginning in tax year 2021. Current law limits the credit to corporation income taxpayers.

**Background**

The bill was introduced by the Senate Committee on Ways and Means at the request of Senator Pettey.

***Senate Committee on Assessment and Taxation***

In the Senate Committee hearing, **proponent** testimony was provided by Senator Pettey and representatives of Kansas Action for Children, the Kansas Children's Service League, and the Chamber (Lawrence). Proponents stated the bill would incentivize more businesses to offer child care. Written-only **proponent** testimony was provided by representatives of the Greater Kansas City Chamber of Commerce and the Kansas Chamber of Commerce.

No other testimony was provided.

The Senate Committee amended the bill to remove provisions that would have eliminated the reduction of the

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

credit amount for tax years after the first year of the implementation of child care services.

### **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, enactment of the bill is anticipated to reduce State General Fund receipts by \$89,000 per fiscal year.

A fiscal note for the amended bill was not immediately available. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Taxation; income tax; child day care services assistance tax credit