

2nd Sub. H.B. 190 Child Care Business Tax Credit

House Amendments

Amendment 1

February 18, 2026 02:33 PM

Representative **Nicholeen P. Peck** proposes the following amendments:

1. *Line 8 through 13:*

8 →defines terms;

9 →expands the nonrefundable corporate and individual income tax credit for
10 employer-provided child care to apply to off-site child care facilities;

11 →**disqualifies an employer from receiving the tax credit if the employer charges or
deducts pay from employees for child care services;**

12 →increases the tax credit amount for certain small business employers, in relation to the
13 employer's child care expenditures;

13 →repeals the requirement for an employer to have claimed the tax credit for construction

2. *Line 63 through 71:*

63 (ii) with respect to which the employer is allowed a deduction for depreciation, or
64 amortization in lieu of depreciation.

65 ~~(f)~~(g) "Qualifying taxpayer" means a taxpayer that:

66 (i) is an employer; **{and}**

67 (ii) qualifies for and claims the federal employer-provided child care tax credit

68 described in Section 45F, Internal Revenue Code, for the current taxable year ~~{.}~~ **;and**

**(iii) does not obtain payment from an employee or deduct from an employee's salary or
wages for child care services, with respect to any qualified child care facility for which the
taxpayer claims a tax credit under this section.**

69 ~~(e)~~(h) "Recapture event" means an employer fails to operate ~~[a]~~an on-site qualified
70 child care facility for which the employer claims a tax credit under ~~[this section]~~

71 Subsection (2) as a child care facility for at least five consecutive taxable years after

3. *Line 126 through 134:*

126 ~~(e)~~(d) "Qualified construction expenditure" means the same as that term is defined in
127 Section 59-7-627.

128 ~~(f)~~(e) "Qualifying claimant" means a claimant, estate, or trust that:

129 (i) is an employer; **{and}**

130 (ii) qualifies for and claims the federal employer-provided child care tax credit

131 described in Section 45F, Internal Revenue Code, for the current taxable year ~~{.}~~ **;and**

(iii) does not obtain payment from an employee or deduct from an employee's salary or wages for child care services, with respect to any qualified child care facility for which the claimant, estate, or trust claims a tax credit under this section.

132 ~~(e)~~(f) "Recapture event" means the same as that term is defined in Section 59-7-627.

133 ~~(f)~~(g) "Third party provider" means the same as that term is defined in Section

134 59-7-627.