

House File 141 - Introduced

HOUSE FILE 141

BY JONES

A BILL FOR

1 An Act exempting from the individual income tax the amount of
2 wages received by a taxpayer for providing certain child
3 care services, and including effective date and retroactive
4 applicability provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.7, Code 2021, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 27A. *a.* Subtract, to the extent included,
4 the amount of wages received by a taxpayer for child care
5 services.

6 *b.* As used in this subsection:

7 (1) "*Child care facility*" means the same as defined in
8 section 237A.1.

9 (2) "*Child care home*" means the same as defined in section
10 237A.1.

11 (3) "*Child care services*" means services provided at a child
12 care home or a child care facility.

13 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
14 importance, takes effect upon enactment.

15 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
16 retroactively to January 1, 2021, for tax years beginning on
17 or after that date.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 This bill exempts from the individual income tax the amount
22 of wages received by a taxpayer for providing certain child
23 care services. The bill defines "child care services" to
24 mean services provided at a child care home or a child care
25 facility. The bill defines "child care home" and "child care
26 facility" to mean the same as defined in Code section 237A.1.

27 The bill takes effect upon enactment, and applies
28 retroactively to January 1, 2021, for tax years beginning on
29 or after that date.