
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 252 Session of
2023

INTRODUCED BY SCHWANK, KEARNEY, FONTANA, HUGHES, HAYWOOD, KANE,
DILLON, STREET, TARTAGLIONE, CAPPELLETTI, SANTARSIERO,
COMITTA, COSTA AND SAVAL, JANUARY 31, 2023

REFERRED TO FINANCE, JANUARY 31, 2023

AN ACT

1 Providing for tax incentives for employers who provide child
2 day-care services for employees.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Employee
7 Child Day-Care Tax Incentive Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Department." The Department of Revenue of the Commonwealth.

13 "Employee." An individual who provides services to another
14 person in return for compensation. The term includes an
15 independent contractor.

16 "Employee child day care." Care for a preschool child of an
17 employee during the working hours of the employee.

1 "Employer." A person who receives services from an
2 individual in return for compensation.

3 "Furnish employee child day care." To do any of the
4 following:

5 (1) Provide for employee child day care, regardless of
6 whether the care is provided on the premises of the employer.

7 (2) Reimburse an employee for any portion of the cost of
8 employee child day care.

9 Section 3. Tax credit.

10 (a) Eligibility.--An employer who furnishes employee child
11 day care is eligible for a tax credit under subsection (b) in
12 the amount of the employer's cost in furnishing employee child
13 day care.

14 (b) Use.--An employer who is eligible under subsection (a)
15 may utilize the tax credit as follows:

16 (1) If the employer is an individual, the credit is
17 available for the individual against the tax imposed under
18 Article III of the act of March 4, 1971 (P.L.6, No.2), known
19 as the Tax Reform Code of 1971.

20 (2) If the employer is a partnership or unincorporated
21 association, the credit is available on a pro rata basis for
22 each partner or member against the tax imposed under Article
23 III of the Tax Reform Code of 1971.

24 (3) If the employer is a corporation, the credit is
25 available against the tax imposed under Article IV of the Tax
26 Reform Code of 1971.

27 Section 4. Regulations.

28 The department shall promulgate regulations to administer
29 this act.

30 Section 5. Applicability.

1 This act shall apply to taxable years beginning after
2 December 31, 2023.
3 Section 6. Effective date.
4 This act shall take effect immediately.