

111TH CONGRESS
1ST SESSION

H. R. 1500

To amend the Internal Revenue Code of 1986 to increase and make refundable the dependent care credit.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2009

Mr. PETERS introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase and make refundable the dependent care credit.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Helping Families Af-
5 ford to Work Act”.

6 **SEC. 2. INCREASE IN DEPENDENT CARE CREDIT.**

7 (a) INCREASE IN INCOMES ELIGIBLE FOR FULL
8 CREDIT.—Paragraph (2) of section 21(a) of the Internal
9 Revenue Code of 1986 is amended by striking “\$15,000”
10 and inserting “\$20,000”.

1 (b) INCREASE IN PERCENTAGE OF EXPENSES AL-
2 LOWABLE.—Paragraph (2) of section 21(a) of such Code
3 is amended—

4 (1) by striking “35 percent” and inserting “50
5 percent”, and

6 (2) by striking “20 percent” and inserting “35
7 percent”.

8 (c) INCREASE IN DOLLAR LIMIT ON AMOUNT CRED-
9 ITABLE.—Subsection (c) of section 21 of such Code is
10 amended—

11 (1) by striking “\$3,000” in paragraph (1) and
12 inserting “\$6,000”, and

13 (2) by striking “\$6,000” in paragraph (2) and
14 inserting “\$12,000”.

15 (d) CREDIT TO BE REFUNDABLE.—

16 (1) IN GENERAL.—Section 21 of such Code is
17 hereby moved to subpart C of part IV of subchapter
18 A of chapter 1 of such Code (relating to refundable
19 credits) and inserted after section 36A.

20 (2) TECHNICAL AMENDMENTS.—

21 (A) Section 21 of such Code, as so moved,
22 is redesignated as section 36B.

23 (B) Paragraph (1) of section 36B(a) of
24 such Code (as redesignated by paragraph (2))

1 is amended by striking “this chapter” and in-
2 serting “this subtitle”.

3 (C) Paragraph (1) of section 23(f) of such
4 Code is amended by striking “21(e)” and in-
5 serting “36B(e)”.

6 (D) Paragraph (6) of section 35(g) of such
7 Code is amended by striking “21(e)” and in-
8 serting “36B(e)”.

9 (E) Subparagraph (C) of section 129(a)(2)
10 of such Code is amended by striking “section
11 21(e)” and inserting “section 36B(e)”.

12 (F) Paragraph (2) of section 129(b) of
13 such Code is amended by striking “section
14 21(d)(2)” and inserting “section 36B(d)(2)”.

15 (G) Paragraph (1) of section 129(e) of
16 such Code is amended by striking “section
17 21(b)(2)” and inserting “section 36B(b)(2)”.

18 (H) Subsection (e) of section 213 of such
19 Code is amended by striking “section 21” and
20 inserting “section 36B”.

21 (I) Subparagraph (H) of section
22 6213(g)(2) of such Code is amended by striking
23 “section 21” and inserting “section 36B”.

1 (J) Subparagraph (L) of section
 2 6213(g)(2) of such Code is amended by striking
 3 “section 21,” and inserting “section 36B,”.

4 (K) Paragraph (2) of section 1324(b) of
 5 title 31, United States Code, is amended by in-
 6 serting “36B,” after “36A,”.

7 (L) The table of sections for subpart C of
 8 part IV of subchapter A of chapter 1 of the In-
 9 ternal Revenue Code of 1986 is amended by in-
 10 serting after the item relating to section 36A
 11 and inserting the following:

“Sec. 36B. Expenses for household and dependent care services necessary for
 gainful employment.”.

12 (M) The table of sections for subpart A of
 13 such part IV is amended by striking the item
 14 relating to section 21.

15 (e) CERTAIN PRIOR AMENDMENTS TO CREDIT MADE
 16 PERMANENT.—Section 901 of the Economic Growth and
 17 Tax Relief Reconciliation Act of 2001 shall not apply to
 18 the amendments made by section 204 of such Act.

19 (f) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to taxable years beginning after
 21 December 31, 2008.

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