

§5218. Income tax credit for child care expenses

1. Resident taxpayer. A resident individual is allowed a credit against the tax otherwise due under this Part in the amount of 25% of the federal tax credit allowable for child and dependent care expenses in the same tax year, except that for tax years beginning in 2003, 2004 and 2005, the applicable percentage is 21.5% instead of 25%.

[PL 2005, c. 519, Pt. DD, §1 (AMD).]

2. Nonresident taxpayer. A nonresident individual is allowed a credit against the tax otherwise due under this Part in the amount of 25% of the federal tax credit allowable for child and dependent care expenses multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122, except that for tax years beginning in 2003, 2004 and 2005, the applicable percentage is 21.5% instead of 25%.

[PL 2005, c. 519, Pt. DD, §2 (AMD).]

2-A. Part-year resident taxpayer. An individual who files a return as a part-year resident in accordance with section 5224-A is allowed a credit against the tax otherwise due under this Part in the amount of 25%, except that for tax years beginning in 2003, 2004 and 2005 the applicable percentage is 21.5%, instead of 25%, of the federal tax credit allowable for child and dependent care expenses multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

[PL 2005, c. 519, Pt. DD, §3 (AMD).]

3. Quality child care services. The credit provided by subsections 1, 2 and 2-A doubles in amount if the child care expenses were incurred through the use of quality child care services as defined in section 5219-Q, subsection 1.

[PL 2003, c. 391, §10 (AMD).]

4. Refund. The credit allowed by this section may result in a refund of up to \$500 except, in the case of a nonresident individual, the credit may not reduce the Maine income tax to less than zero. In the case of an individual who files a return as a part-year resident in accordance with section 5224-A, the refundable portion of the credit may not exceed \$500 multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

[PL 2015, c. 267, Pt. DD, §24 (AMD); PL 2015, c. 267, Pt. DD, §34 (AFF).]

SECTION HISTORY

PL 1987, c. 504, §32 (NEW). PL 1987, c. 772, §40 (AMD). PL 1999, c. 401, §NNN5 (AMD). PL 1999, c. 401, §§NNN8,9 (AFF). PL 1999, c. 521, §B6 (RPR). PL 1999, c. 521, §B11 (AFF). PL 2001, c. 358, §D1 (AFF). PL 2001, c. 396, §38 (RPR). PL 2003, c. 20, §FF1 (AMD). PL 2003, c. 391, §10 (AMD). PL 2005, c. 12, §§L2-4 (AMD). PL 2005, c. 519, §§DD1-3 (AMD). PL 2015, c. 267, Pt. DD, §24 (AMD). PL 2015, c. 267, Pt. DD, §34 (AFF).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Legislature and is current through October 15, 2024. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.