

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

April 30, 2018

Date

Committee on State, Veterans, & Military Affairs.

After consideration on the merits, the Committee recommends the following:

SB18-265 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 3, after line 2 insert:
- 2 "(a) "BENEFICIARY" MEANS A DEPENDENT WHO IS LESS THAN SIX
- 3 YEARS OLD OF AN INDIVIDUAL WHO HAS CREATED A CHILD SAVINGS
- 4 ACCOUNT."
- 5 Reletter succeeding paragraphs accordingly.
- 6 Page 3, line 17, strike "(a)" and strike "WHO MEETS".
- 7 Page 3, strike line 18.
- 8 Page 3, strike 19, strike "SECTION".
- 9 Page 3, line 21, after the period add "AN INDIVIDUAL MAY NOT HAVE
- 10 MORE THAN ONE ACCOUNT BUT MAY JOINTLY OWN AN ACCOUNT WITH
- 11 ANOTHER PERSON IF THEY FILE A JOINT INCOME TAX RETURN."
- 12 Page 3, strike lines 22 through 27.
- 13 Page 4, strike lines 1 and 2.
- 14 Page 4, line 3, strike "LIMIT IN SUBSECTION (4)(b)" and substitute
- 15 "LIMITATIONS IN SUBSECTIONS (4)(b) AND (4)(c)".
- 16 Page 4, after line 8 insert:

1 "(b) (I) FOR AN INDIVIDUAL TO CLAIM A CREDIT FOR A
2 CONTRIBUTION TO HIS OR HER CHILD CARE SAVINGS ACCOUNT, THE
3 INDIVIDUAL MUST HAVE:
4 (A) COMPENSATION DURING THE INCOME TAX YEAR THAT IS
5 SUBJECT TO WITHHOLDING UNDER SECTION 39-22-604; AND
6 (B) FEDERAL TAXABLE INCOME FOR THE INCOME TAX YEAR THAT
7 IS LESS THAN OR EQUAL TO NINETY THOUSAND DOLLARS OR, IN THE CASE
8 OF INDIVIDUALS WHO FILE A JOINT FEDERAL RETURN, ONE HUNDRED
9 EIGHTY THOUSAND DOLLARS.
10 (II) AN EMPLOYER SHALL NOT CLAIM A CREDIT FOR A
11 CONTRIBUTION TO AN EMPLOYEE'S CHILD CARE SAVINGS ACCOUNT IF THE
12 EMPLOYEE'S WAGES FROM THE EMPLOYER ARE GREATER THAN NINETY
13 THOUSAND DOLLARS FOR THE INCOME TAX YEAR."

14 Reletter succeeding paragraph accordingly.

15 Page 4, lines 11 and 12, strike "A TAXPAYER MAY CONTRIBUTE TO
16 MULTIPLE ACCOUNTS" and substitute "AN EMPLOYER MAY CONTRIBUTE TO
17 THE CHILD CARE SAVINGS ACCOUNTS OF MULTIPLE EMPLOYEES".

18 Page 5, line 4, strike "DEPENDENT WHO IS LESS THAN SIX YEARS OLD" and
19 substitute "BENEFICIARY".

20 Page 5, line 5, after the period add "THE INDIVIDUAL MUST PROVIDE THE
21 DEPARTMENT WITH A BENEFICIARY'S TAX IDENTIFICATION NUMBER."

22 Page 5, line 12, strike "RECAPTURED." and substitute "RECAPTURED OR,
23 IF THE CREDIT WAS CLAIMED BY ANOTHER PERSON, THE INDIVIDUAL IS
24 SUBJECT TO A PENALTY THAT IS EQUAL TO THE AMOUNT OF THE CREDIT
25 GRANTED PLUS AN AMOUNT EQUAL TO TEN PERCENT OF THE CREDIT."

26 Page 5, strike lines 22 through 27.

27 Page 6, strike lines 1 through 3.

28 Page 6, line 25, after "ENSURING" insert "THE FAILURE OF AN ACCOUNT
29 OWNER TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION, THE
30 ELIGIBILITY OF AN ACCOUNT OWNER TO CLAIM A CREDIT, OR".

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