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H.375

Introduced by Representatives Burke of Brattleboro and O’Sullivan of
Burlington

Referred to Committee on

Date:

Subject: Taxation and finance; income taxes; tax credit; flexible workplace;
child care

Statement of purpose of bill as introduced: This bill proposes to create a tax
credit for employers that provide a subsidy for child care or offer employees
certain flexible working arrangements.

An act relating to creating a family-friendly workplace tax credit

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. chapter 151, subchapter 110 is added to read:

Subchapter 110. Family-Friendly Workplace Tax Credit

§ 5930qq. FAMILY-FRIENDLY WORKPLACE TAX CREDIT

(a) As used in this section:

(1) “Employer” means an entity doing business at one or more physical
locations in Vermont.

(2) “Flexible work schedule” means a daily work schedule that contains
certain required hours during which an employee must be present at work and

1 designated hours before or after the required hours during which an employee,
2 with the approval of his or her employer, may elect a time of arrival to work
3 and departure from work.

4 (3) "Job-share" means a work arrangement in which two or more
5 employees share one job, jointly assuming responsibility for the job's output.

6 (4) "Qualified family-friendly workplace program" means a program
7 that permits employees to elect to participate in the following alternative work
8 arrangements:

9 (A) flexible work schedule;

10 (B) job-share; or

11 (C) subsidized child care.

12 (5) "Subsidized child care" means a program in which the employer
13 assumes a minimum of 25 percent of the cost of the child care services for each
14 child or dependent of an employee that receives child care services.

15 (b)(1) A tax credit against any tax liability under section 5822 or 5832 of
16 this title is available to an employer with a qualified family-friendly workplace
17 program. The credit shall be available for any tax year in which the employer
18 maintains a qualified family-friendly workplace program for the entire year or
19 the credit may be carried forward to any of the three subsequent tax years.

20 (2) The credit shall be in the amount of \$150.00 for each full-time
21 equivalent employee participating in either the flexible work schedule or job-

1 share portions of the program plus ten percent of the employer's expenditures
2 for subsidized child care.

3 (3) The credit, either alone or in combination with any other credit
4 allowed by this chapter, shall not reduce the income tax liability of the
5 employer by more than 80 percent.

6 (c)(1) To claim a credit pursuant to this section, an employer shall submit
7 to the Agency of Commerce and Community Development documentation and
8 any additional information requested by the Agency that is necessary to
9 demonstrate that the employer operates a qualified family-friendly workplace
10 program and meets the requirements of subsection (b) of this section in the tax
11 year for which the credit is claimed.

12 (2) The Agency, upon review and confirmation of the employer's
13 eligibility for a credit, shall issue a credit certificate to the employer, who shall
14 file the certificate with the Department of Taxes with its State income tax
15 return for the applicable year.

16 (d) The Secretary of Commerce and Community Development shall adopt
17 rules as necessary to implement this section.

18 (e) The Secretary of Commerce and Community Development shall report
19 to the House Committee on Commerce and Economic Development and the
20 Senate Committee on Economic Development, Housing and General Affairs
21 on or before January 15 of each year regarding employee participation in the

1 Family-Friendly Workplace Tax Credit Program. The report shall include the
2 following information for the prior tax year:
3 (1) the number of employers participating in the program;
4 (2) the rate at which employees of participating employers are using job-
5 share, flexible work schedules, and subsidized child care;
6 (3) an evaluation of the effectiveness of the Program at promoting
7 family friendly workplaces and increased access to child care; and
8 (4) any recommendations for legislative action to improve the outcomes
9 of the Program.

10 Sec. 2. EFFECTIVE DATE

11 This act shall take effect on July 1, 2017.