



March 25, 2021

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our over 1,500 members, thank you for the opportunity to present written testimony in support of H.B. 2414; AN ACT concerning income taxation; relating to the child day care services assistance tax credit; increasing the amount of the credit for years following facility establishment; providing a credit for employer payments to an organization providing access to employees for child day care services; expanding eligible taxpayers; amending K.S.A. 79- 32,190 and repealing the existing section.

Currently, only corporate taxpayers (C-Corporations) can claim the child day care assistance tax credit. S-Corporations, Limited Liability Companies and Sole Proprietorships are pass through entities for income tax purposes. Therefore, under current law, they are excluded from claiming the child day care tax credit.

HB 2414 would allow individual income taxpayers to claim this tax credit. It increases the tax credit to 50.0 percent for taxpayers that provide facilities and necessary equipment for a child day care services after the initial year or if the taxpayer pays for or locates child day care services for their employees beginning in tax year 2021.

The Chamber stands in strong support of the H.B. 2414 as we believe it helps more Kansans participate in the workforce. In turn this enables more Kansas citizens to earn greater income in pursuit of the American dream. It also solves a problem for firms struggling to find workers as our state comes out of the COVID-19 pandemic and the state returns to full employment.

We respectfully urge the Committee to report H.B. 2414 favorable for passage.

Very truly yours,

Jason P. Watkins