
HOUSE BILL No. 1594

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-22.

Synopsis: Tax credit for stay at home parents. Provides a \$500 adjusted gross income tax credit for a stay at home parent.

Effective: July 1, 2001.

Murphy

January 17, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

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HOUSE BILL No. 1594



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.1-22 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2001]:
4 **Chapter 22. Stay At Home Parent Tax Credit**
5 **Sec. 1. This chapter creates the stay at home parent tax credit.**
6 **Sec. 2. For purposes of this chapter, "child" means an**
7 **individual:**
8 (1) who is less than thirteen (13) years of age; and
9 (2) with respect to whom a parent is entitled to a deduction
10 under Section 151(c) of the Internal Revenue Code.
11 **Sec. 3. For purposes of this chapter, "earned income" means the**
12 **sum of the:**
13 (1) wages, salaries, tips, and other employee compensation;
14 and
15 (2) net earnings from self-employment (as computed under
16 Section 32(c)(2) of the Internal Revenue Code);
17 **of an individual taxpayer.**



1 **Sec. 4. For purposes of this chapter, "parent" means the**
2 **biological or adoptive parent or the stepparent of a child.**
3 **Sec. 5. As used in this chapter, "stay at home parent" means a**
4 **taxpayer who:**
5 **(1) is a parent;**
6 **(2) has no earned income; and**
7 **(3) stays at home to provide for:**
8 **(A) the care, health, safety, and supervision; and**
9 **(B) the social, emotional, and educational growth;**
10 **of the taxpayer's child or children;**
11 **for the entire taxable year.**
12 **Sec. 6. A stay at home parent is entitled to a credit against:**
13 **(1) the stay at home parent's adjusted gross income tax**
14 **liability; or**
15 **(2) the adjusted gross income tax liability of the stay at home**
16 **parent and the stay at home parent's spouse, if the stay at**
17 **home parent files a joint return;**
18 **for the taxable year in the amount of five hundred dollars (\$500).**
19 **Sec. 7. A stay at home parent who is married must file a joint**
20 **return to be eligible to receive a credit under this chapter.**

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