

HOUSE No. 4322

The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

An Act creating an early educator tax credit.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 6 of chapter 62 of the General Laws, as appearing in the 2012 Official Edition, is
2 hereby amended by adding the following section:-

3 (s) The early educator tax credit shall be given to eligible early childhood educators who
4 have demonstrated degree attainment. The credit shall equal \$200 for a taxpayer with an
5 Associate’s Degree and \$600 for a taxpayer with a Bachelor’s Degree. If the amount of the credit
6 allowed exceeds the early educator taxpayer's liability, the commissioner shall treat such excess
7 as an overpayment and shall pay the early educator taxpayer the amount of the excess, without
8 interest.

9 (1) "Eligible early educator," shall mean any taxpayer who meets all of the following
10 requirements:

11 (i) The taxpayer has been approved by the Department of Early Education and Care for
12 the care and education of children in an eligible child care program, defined as a licensed Family
13 Child Care, Small Group and School Age Child Care, or Large Group and School Age Child
14 Care program;

15 (ii) The taxpayer has been employed continuously for 6 months of the tax year for an
16 average of 20 hours or more per week, including permitted leave, in an eligible child care
17 program;

18 (iii) The taxpayer has obtained an Associate's Degree or Bachelor's Degree in early
19 childhood education or a related field, as defined by the Department of Early Education and
20 Care, from an accredited Higher Education institution in any of the years prior to the current tax

21 year. Only one credit per eligible early educator shall be allowed, according to the highest level
22 of education obtained. Eligible early educators may apply for the credit each year;

23 (iv) The taxpayer is engaged in yearly professional development training as required by
24 the Department of Early Education and Care's regulations; and

25 (v) The taxpayer must be registered with the Department of Early Education and Care,
26 subject to the Department of Revenues eligibility requirements.

27 (2) The Department of Revenue shall provide data on the utilization of the early educator
28 tax credit to the Department of Early Education and Care. The Department of Early Education
29 and Care shall provide a bi-annual report on the utilization of the Early Educator Tax Credit to
30 the House and Senate Committees on Ways and Means and the Joint Committee on Revenue
31 including, but not limited to, the following metrics:

32 (i) Its use by early educators; and

33 (ii) Its effectiveness in reducing the turnover rate in the early education field.

34 (3) Taxpayers who are delinquent on their personal income taxes shall not be eligible for
35 the early educator tax credit.

36 (4) Subsection (s) shall expire on July 31, 2019.