

**Amendment to the Amendment in the Nature of a Substitute to H.Con. Res. 14  
Offered by Rep. Davis**

The Giving Working Parents Up to \$8,000 for Child Care Amendment

This amendment would permanently restore the 2021 Child and Dependent Care Tax that raised the maximum credit to \$4,000 for one child and to \$8,000 for two or more children.

**AMENDMENT**  
**OFFERED BY MR. DAVIS OF ILLINOIS**

Add at the end of part 2 of subtitle A the following:

1 **SEC. 110117. ENHANCEMENT OF CHILD AND DEPENDENT**  
2 **CARE TAX CREDIT.**

3 (a) IN GENERAL.—Section 21(a)(2) is amended to  
4 read as follows:

5 “(2) APPLICABLE PERCENTAGE.—

6 “(A) IN GENERAL.—For purposes of para-  
7 graph (1), the term ‘applicable percentage’  
8 means 50 percent reduced (but not below the  
9 phaseout percentage) by 1 percentage point for  
10 each \$2,000 (or fraction thereof) by which the  
11 taxpayer’s adjusted gross income for the taxable  
12 year exceeds \$125,000.

13 “(B) PHASEOUT PERCENTAGE.—For pur-  
14 poses of subparagraph (A), the term ‘phaseout  
15 percentage’ means 20 percent reduced (but not  
16 below zero) by 1 percentage point for each  
17 \$2,000 (or fraction thereof) by which the tax-  
18 payer’s adjusted gross income for the taxable  
19 year exceeds \$400,000.”.

1 (b) INCREASE IN DOLLAR LIMIT ON AMOUNT CRED-  
2 ITABLE.—Section 21(c) is amended—

3 (1) in paragraph (1), by striking “\$3,000” and  
4 inserting “\$8,000”; and

5 (2) in paragraph (2), by striking “\$6,000” and  
6 inserting “\$16,000”.

7 (c) SPECIAL RULE FOR MARRIED COUPLES FILING  
8 SEPARATE RETURNS.—Section 21(c)(2) is amended to  
9 read as follows:

10 “(2) MARRIED COUPLES FILING SEPARATE RE-  
11 TURNS.—

12 “(A) IN GENERAL.—In the case of married  
13 individuals who do not file a joint return for the  
14 taxable year—

15 “(i) the applicable percentage under  
16 subsection (a)(2) and the number of quali-  
17 fying individuals and aggregate amount ex-  
18 cludable under section 129 for purposes of  
19 subsection (c) shall be determined with re-  
20 spect to each such individual as if the indi-  
21 vidual had filed a joint return with the in-  
22 dividual’s spouse, and

23 “(ii) the aggregate amount of the  
24 credits allowed under this section for such  
25 taxable year with respect to both spouses

1 shall not exceed the amount which would  
2 have been allowed under this section if the  
3 individuals had filed a joint return.

4 “(B) REGULATIONS.—The Secretary shall  
5 prescribe such regulations or other guidance as  
6 is necessary to carry out the purposes of this  
7 subsection.”.

8 (d) ADJUSTMENT FOR INFLATION.—Section 21 is  
9 amended by adding at the end the following new sub-  
10 section:

11 “(i) INFLATION ADJUSTMENT.—

12 “(1) IN GENERAL.—In the case of a calendar  
13 year beginning after 2025, the \$125,000 amount in  
14 paragraph (2) of subsection (a) and the dollar  
15 amounts in subsection (c) shall each be increased by  
16 an amount equal to—

17 “(A) such dollar amount, multiplied by

18 “(B) the cost-of-living adjustment deter-  
19 mined under section 1(f)(3) for the calendar  
20 year in which the taxable year begins, deter-  
21 mined by substituting ‘calendar year 2024’ for  
22 ‘calendar year 2016’ in subparagraph (A)(ii)  
23 thereof.

24 “(2) ROUNDING.—If any dollar amount, after  
25 being increased under paragraph (1), is not a mul-

1        tiple of \$100, such dollar amount shall be rounded  
2        to the next lowest multiple of \$100.”.

3        (e) CREDIT MADE REFUNDABLE.—Section 21(g) is  
4        amended to read as follows:

5        “(g) CREDIT MADE REFUNDABLE FOR CERTAIN IN-  
6        DIVIDUALS.—If the taxpayer (in the case of a joint return,  
7        either spouse) has a principal place of abode in the United  
8        States (determined as provided in section 32) for more  
9        than one-half of the taxable year, the credit allowed under  
10       subsection (a) shall be treated as a credit allowed under  
11       subpart C (and not allowed under this subpart).”.

12       (f) EFFECTIVE DATE.—The amendments made by  
13       this section shall apply to taxable years beginning after  
14       December 31, 2024.

