

By Mr. Cawley, the same Senator, a petition of Lois G. Pines, National Organization for Women, and Robert L. Cawley for legislation to provide a deduction for household and dependent care expenses for gainful employment under the income tax law. Taxation.

**The Commonwealth of Massachusetts**

In the year One Thousand Nine Hundred and Seventy-Two.

AN ACT TO PROVIDE A DEDUCTION FOR HOUSEHOLD AND DEPENDENT CARE EXPENSES FOR GAINFUL EMPLOYMENT.

*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 1. Chapter Sixty-two of The General Laws is here-  
2 by amended by striking out the first paragraph of subsection  
3 (b) of Section 2 and inserting in place thereof the following  
4 clause:—

5 Section 2 (b) Adjusted gross income means gross income  
6 as defined in subsection (a), less the deductions allowed under  
7 section sixty-two and section four hundred and four of the  
8 Internal Revenue Code, and less the deduction allowed in sub-  
9 section (c) of Section (2) of Chapter Sixty-two; provided,  
10 however, the following deductions shall not be allowed:—

1 SECTION 2. Chapter Sixty-two of The General Laws is here-  
2 by amended by inserting subsection (c) in Section 2 as fol-  
3 lows:—

4 (c) ALLOWANCE OF DEDUCTION. — In the case of an  
5 individual taxpayer who maintains a household which includes  
6 as a member one or more qualifying individuals (as defined in  
7 subsection (c) (1) (a) ), there shall be allowed as a deduc-  
8 tion employment-related expenses (as defined in subsection  
9 (c) (1) (B)) paid by the taxpayer during the taxable year.

10 (1) DEFINITIONS. — For purposes of this sections —

11 (A) The term “qualifying individual” means —

12 (i) a dependent of the taxpayer who is under the

13 age of fifteen and with respect to whom the  
14 taxpayer is entitled to a deduction under sec-  
15 tion 151 (e) of The Internal Revenue Code.

16 (ii) a dependent of the taxpayer who is physical-  
17 ly or mentally incapable of caring for himself,  
18 or

19 (iii) the spouse of the taxpayer, if he is physically  
20 or mentally incapable of caring for himself.

21 (B) The term "employment-related expenses"  
22 means the following expenses, but only if they  
23 are incurred to enable the taxpayer to be gain-  
24 fully employed:

25 (i) expenses for household services, and

26 (ii) expenses for the care of a qualifying in-  
27 dividual.

28 (2) LIMITATIONS ON AMOUNTS DEDUCTIBLE. —

29 (A) IN GENERAL. — A deduction shall be allowed under  
30 subsection (c) for employment-related expenses incur-  
31 red in any month to the extent such expenses do not  
32 exceed \$400.

33 (B) EXPENSES MUST BE FOR SERVICES IN THE  
34 HOUSEHOLD.—

35 (i) IN GENERAL.— Except as provided in subpara-  
36 graph (ii) below, a deduction shall be allowed un-  
37 der subsection (c) only for employment-related  
38 expenses incurred for services in the taxpayer's  
39 household.

40 (ii) EXCEPTION.— Employment-related expenses de-  
41 scribed in subsection (c) (1) (B) (ii) incurred  
42 for services outside the taxpayer's household for  
43 a qualifying individual described in subsection (c)  
44 (1) (A) (i) shall be taken into account to the ex-  
45 tent such expenses incurred in any month do not  
46 exceed—

47 (1) \$200, in the case of one such individual,

48 (2) \$300, in the case of two such individuals,

49 (3) \$400, in the case of three or more such indi-  
50 viduals.

## 51 (3) SPECIAL LIMITATIONS ON MARRIED COUPLES.—

52 In the case of an individual who is married—

53 (A) the deduction provided by subsection (c) shall be  
54 allowed to only one taxpayer if the taxpayer and  
55 his or her spouse do not file a single return jointly  
56 for the taxable year,57 (B) the deduction provided by subsection (c) shall be  
58 allowed for employment-related expenses incurred  
59 during any month if both spouses are gainfully  
60 employed on a full time basis.61 Paragraph (B) shall not apply during any month during  
62 which a spouse is a qualifying individual described in subsec-  
63 tion (c) (1) (A) (iii).64 (4) MARITAL STATUS. — For purposes of this subsec-  
65 tion, the determination of whether an individual is  
66 married shall be made by applying section 143 of The  
67 Internal Revenue Code, except that, for such purposes,  
68 section 143 (b) (1) shall be treated as referring to any  
69 dependent.70 (5) These provisions shall apply to taxable years beginning  
71 after December 31, 1971.

- 101.001 (3) SPECIAL CIRCUMSTANCES ON SEPARATION OF PROPERTY
  - 101.001 (3)(A) In the case of an individual who is married—
    - 101.001 (3)(A)(i) the husband is provided by subsection (1) shall be
    - 101.001 (3)(A)(ii) always have the burden of the burden of the
    - 101.001 (3)(A)(iii) his or her spouse in the same estate jointly
    - 101.001 (3)(A)(iv) for the taxable year.
  - 101.001 (3)(B) the husband provided by subsection (1) shall be
    - 101.001 (3)(B)(i) provided for property-related expenses during
    - 101.001 (3)(B)(ii) during any year in which he both spouse's property
    - 101.001 (3)(B)(iii) as a full-time child.
    - 101.001 (3)(B)(iv) during any year during
    - 101.001 (3)(B)(v) which a spouse is a fully non-individualized in estate
- 101.001 (4) MARITAL STATUS -- For purposes of this subsec-
  - 101.001 (4)(A) the determination of whether an individual is
  - 101.001 (4)(B) shall be made by a court of law of the
  - 101.001 (4)(C) shall be made by a court of law of the
  - 101.001 (4)(D) shall be made by a court of law of the
  - 101.001 (4)(E) shall be made by a court of law of the
  - 101.001 (4)(F) shall be made by a court of law of the
  - 101.001 (4)(G) shall be made by a court of law of the
  - 101.001 (4)(H) shall be made by a court of law of the
  - 101.001 (4)(I) shall be made by a court of law of the
  - 101.001 (4)(J) shall be made by a court of law of the
  - 101.001 (4)(K) shall be made by a court of law of the
  - 101.001 (4)(L) shall be made by a court of law of the
  - 101.001 (4)(M) shall be made by a court of law of the
  - 101.001 (4)(N) shall be made by a court of law of the
  - 101.001 (4)(O) shall be made by a court of law of the
  - 101.001 (4)(P) shall be made by a court of law of the
  - 101.001 (4)(Q) shall be made by a court of law of the
  - 101.001 (4)(R) shall be made by a court of law of the
  - 101.001 (4)(S) shall be made by a court of law of the
  - 101.001 (4)(T) shall be made by a court of law of the
  - 101.001 (4)(U) shall be made by a court of law of the
  - 101.001 (4)(V) shall be made by a court of law of the
  - 101.001 (4)(W) shall be made by a court of law of the
  - 101.001 (4)(X) shall be made by a court of law of the
  - 101.001 (4)(Y) shall be made by a court of law of the
  - 101.001 (4)(Z) shall be made by a court of law of the