JOINT COMMITTEE ON TAXATION
July 29, 2020
JCX-19-20

ESTIMATED REVENUE EFFECTS OF SECTIONS 402 - 407 CONTAINED IN H.R. 7327,
THE "CHILD CARE FOR ECONOMIC RECOVERY ACT,"
SCHEDULED FOR CONSIDERATION BY THE HOUSE OF REPRESENTATIVES ON JULY 29, 2020

Fiscal Years 2020 - 2030

[Millions of Dollars]

Provision	Effective	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2020-25	2020-30
1. Refundability and enhancement of child and dependent care tax credit [1]	tyba 12/31/19	---	-7,567	-7,490	-8,482	-8,642	-8,886	-9,425	-9,158	-9,413	-9,684	-9,941	-41,067	-88,685
2. Increase in exclusion for employer-provided dependent care assistance [2]	tyba 12/31/19	[3]	-185	-260	-273	-280	-287	-290	-296	-305	-314	-322	-1,286	-2,814
3. Payroll credit for certain fixed expenses of child care facilities subject to closure by reason of COVID–19 (sunset 12/31/20)	qfepoai cqbo/a DOE	---	-84	---	---	---	---	---	---	---	---	---	-84	-84
4. Payroll credit for certain employee dependent care expenses paid by employers (sunset 12/31/20)	qedcepi cqbo/a DOE	---	-21	---	---	---	---	---	---	---	---	---	-21	-21
5. Flexibility for dependent care flexible spending arrangements [4]	DOE	---	217	54	---	---	---	---	---	---	---	---	271	271
6. Employee retention credit allowed with respect to employment of domestic workers	[5]	-7	-2	---	---	---	---	---	---	---	---	---	-9	-9
NET TOTAL		**-7**	**-7,642**	**-7,696**	**-8,755**	**-8,922**	**-9,173**	**-9,715**	**-9,454**	**-9,718**	**-9,998**	**-10,263**	**-42,196**	**-91,342**

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be August 15, 2020.

Legend for "Effective" column:
cqbo/a = calendar quarters beginning on or after
DOE = date of enactment
qedcepi = qualified employee dependent care expenses paid in
qfepoai = qualified fixed expenses paid or accrued in
tyba = taxable years beginning

[1] Estimate contains the following outlay effects:	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2020-25	2020-30
Refundability and enhancement of child and dependent care tax credit	---	3,518	3,363	3,890	3,850	3,865	3,865	3,050	3,045	3,072	3,095	18,486	34,613

[2] Estimate includes the following budget effects:	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2020-25	2020-30
Total Revenue Effect	[3]	-185	-260	-273	-280	-287	-290	-296	-305	-314	-322	-1,286	-2,814
On-budget effects	[3]	-38	-54	-56	-58	-59	-60	-61	-63	-65	-66	-266	-582
Off-budget effects	[3]	-147	-206	-217	-222	-228	-230	-235	-242	-249	-256	-1,020	-2,232

[3] Loss of less than $500,000.

[4] Estimate includes the following budget effects:	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2020-25	2020-30
Total Revenue Effect	---	217	54	---	---	---	---	---	---	---	---	271	271
On-budget effects	---	160	40	---	---	---	---	---	---	---	---	200	200
Off-budget effects	---	57	14	---	---	---	---	---	---	---	---	71	71

[5] Effective as if included in section 2301 of the CARES Act.