

SB 654-FN - AS INTRODUCED

2026 SESSION

26-3253

07/05

SENATE BILL        **654-FN**

AN ACT            creating tax credits for businesses that have on-site child care services and for businesses that provide health care coverage for certain employees.

SPONSORS:        Sen. Sullivan, Dist 18; Sen. Lang, Dist 2; Sen. Ricciardi, Dist 9; Rep. Rice, Hills. 38; Rep. Notter, Hills. 12; Rep. Kuttub, Rock. 17

COMMITTEE:      Ways and Means

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ANALYSIS

This bill creates tax credits against the business profits tax for businesses that have on-site child care services and for businesses that provide health care coverage for certain employees.

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Explanation:      Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struckthrough.]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty-Six*

AN ACT creating tax credits for businesses that have on-site child care services and for businesses that provide health care coverage for certain employees.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 New Paragraphs; Business Profits Tax; Credits. Amend RSA 77-A:5 by inserting after  
2 paragraph XVII the following new paragraphs:

3 XVIII. There shall be allowed an on-site child care services tax credit, according to the  
4 following:

5 (a) The credit shall be equal to 20 percent of qualifying expenditures tied to running on-  
6 site or nearby child care services for employees, up to \$100,000 per fiscal year.

7 (b) The department of health and human services shall establish rules, pursuant to RSA  
8 541-A, to determine what expenditures are "qualifying expenditures" and what the fair market value  
9 of such expenditures for purposes of calculating the credit under this paragraph.

10 (c) An eligible business shall have its child care service facility housed within the  
11 business' main building, inside a shared building where both the business and child care facility are  
12 located, or in separate buildings within the same office or industrial park.

13 (d) Unused tax credits may be rolled over into the next fiscal year, for up to 4 years.  
14 Older credits shall be rolled over first.

15 (e) A business that receives a credit under this paragraph shall be required to pay back  
16 all credits received if it closes a child care facility within 3 years of receiving a credit and continues  
17 to maintain its primary business operations at the same address.

18 (f) The department of revenue administration may waive the recapture of credits  
19 awarded under subparagraph (e) in cases of business sales or estate transfers of business assets.  
20 The department may establish rules, pursuant to RSA 541-A, regarding the waiver of the recapture  
21 of credits awarded under subparagraph (e) in other circumstances as it sees fit.

22 (g) Any business that shares a child care facility and seeks to claim the credit under this  
23 paragraph shall provide proof of a qualifying contractual agreement of the use of the shared facility  
24 to the department prior to claiming the credit under this paragraph. A qualifying contractual  
25 agreement shall include clauses regarding credit recapture in cases of contract dissolution or the  
26 cessation of child care facility services.

27 XIX. There shall be allowed a "parent hours" tax credit, according to the following:

28 (a) The credit shall be equal to 20 percent of the cost of health care benefits, up to  
29 \$10,000 per fiscal year per employee, conferred to each eligible employee.

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1                   (b) As used in subparagraph (a), "eligible employee" means an employee with at least  
2 one dependent whose working hours fall entirely between 9:00 a.m. and 3:00 p.m. on weekdays.  
3                   2 Effective Date. This act shall take effect July 1, 2027.

LBA  
26-3253  
1/28/26

**SB 654-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT creating tax credits for businesses that have on-site child care services and for businesses that provide health care coverage for certain employees.

**FISCAL IMPACT:**

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the Senate Clerk's Office.

**AGENCIES CONTACTED:**

Department of Revenue Administration and Department of Health and Human Services