

DEPARTMENT OF TAXATION

2023 Fiscal Impact Statement

1. **Patron** Jennifer L. McClellan

3. **Committee** House Finance

4. **Title** Joint Subcommittee on Tax Policy to Analyze
Tax Credits and Economic Security
Payments

2. **Bill Number** SB 1324

House of Origin:

☐ Introduced

☐ Substitute

☐ Engrossed

Second House:

☒ In Committee

☐ Substitute

☐ Enrolled

5. **Summary/Purpose:**

This bill would require the Joint Subcommittee on Tax Policy (“the Joint Subcommittee”) to review and analyze options for a state-level grant program, tax credit, or refund for families, including the expansion of the earned income tax credit, the creation of a state-level child tax credit or child and dependent care tax credit, and the creation of a grant program to provide grants to local social services departments for the provision of monthly economic security payments to families with children. The Joint Subcommittee would be required to evaluate the impact of tax credits and economic security payments on families and children, eligibility conditions for receiving an economic security payment, a state-level child tax credit or a child and dependent care tax credit, and the necessary systems to administer and provide oversight for such credits or grant program. The Joint Subcommittee would be required to complete its work and submit a report of its findings and recommendations to the Chairmen of the Senate Committee on Finance and Appropriations and the House Committee on Finance no later than November 1, 2023.

If enacted during the 2023 Regular Session of the General Assembly, this bill would become effective July 1, 2023.

6. **Budget amendment necessary:** No,

7. **No Fiscal Impact.** (See Line 8.)

8. **Fiscal implications:**

Administrative Costs

The Department of Taxation (“the Department”) considers implementation of this bill as routine, and does not require additional funding.

Revenue Impact

This bill would have no revenue impact.

9. Specific agency or political subdivisions affected:

Joint Subcommittee on Tax Policy

10. Technical amendment necessary: No.

11. Other comments:

Proposal

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cc : Secretary of Finance

Date: 2/11/2023 JLOF
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