

# STEVEN CHOI

MEMBER FOR THE 68TH ASSEMBLY DISTRICT



## AB 2496- Onsite Business Childcare Incentive

### SUMMARY

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AB 2496 seeks to create a tax credit for employers who assist their employees in subsidizing or providing for childcare.

### BACKGROUND

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Approximately 2 million households nationwide have at least one parent quitting their job and putting their career on hold, due to the inability to afford childcare. In California alone there was close to 200,000 parents who quit their job because all their earnings would barely cover childcare.

Parents have to make the hard decision of choosing to go to work and paying childcare for their little ones or staying home and raising them themselves. The most impacted are single parent households who must work so they can provide the necessary needs for their family. Some may qualify for EDD benefits for a few months but in the end, they are still left with the same problem they started with. Many talented mothers end up quitting their jobs to take care of their children and that can have a negative impact on the employer as well.

### PROPOSAL

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AB 2496 seeks to create a tax incentive for companies who would like to contract with childcare facilities to provide childcare options to their employees who are hardworking parents that cannot afford childcare. This tax credit will encourage employees to continue working and it will encourage employers to assist their valuable employees in continuing their careers with the business.

Through AB 2496, more single parents will stay in the work force and contribute to the state economy and businesses will become instrumental in maintaining and supporting their employees. Parents will receive the necessary help to become successful role models for their children.

### FOR MORE INFORMATION

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