

(3) 10% of up to the first \$6,000 of the wages paid to the qualified employment opportunity employee during the third year of employment.

(d) For each taxable year, for child care provided or paid for by a business entity for the children of a qualified employment opportunity employee of the business entity, a credit is allowed in an amount equal to:

(1) Up to \$600 of the qualified child care expenses incurred for each qualified employment opportunity employee during the first year of employment;

(2) Up to \$500 of the qualified child care expenses incurred for each qualified employment opportunity employee during the second year of employment; and

(3) Up to \$400 of the qualified child care expenses incurred for each qualified employment opportunity employee during the third year of employment.

(e) (1) A business entity may not claim the credit under this section for an employee:

(i) Who is hired to replace a laid-off employee or to replace an employee who is on strike; or

(ii) For whom the business entity simultaneously receives federal or State employment training benefits.

(2) A business entity may not claim the credit under this section until it has notified the appropriate government agency that the qualified employment opportunity employee has been hired.

(3) A business entity may not claim the credit under this section for an employee whose employment lasts less than one year unless the employee:

(i) Voluntarily terminates employment with the employer;

(ii) Is unable to continue employment due to death or a disability; or

(iii) Is terminated for cause.

(4) A business entity may claim a credit reduced by the proportion of a year that an employee did not work if the employment is less than a year because the employee:

(i) Voluntarily terminates employment with the employer;

(ii) Is unable to continue employment due to death or a disability; or

(iii) Is terminated for cause.

(f) If the credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the business entity for that taxable year, a business entity may apply the excess as a credit for succeeding taxable years until the earlier of:

(1) The full amount of the excess is used; or