

INDIVIDUAL DURING THE TAXABLE YEAR FOR THE CARE OF A QUALIFYING INDIVIDUAL OR FOR ~~QUALIFYING CHILD CARE OR AFTER SCHOOL OPPORTUNITIES FOR QUALIFYING CHILDREN.~~

~~(C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE CREDIT ALLOWED UNDER THIS SECTION EQUALS THE DEPENDENT CARE CREDIT ALLOWED FOR THE TAXABLE YEAR.~~

~~(2) IF THE INDIVIDUAL DOES NOT CLAIM THE DEPENDENT CARE CREDIT OR IF THE EXPENSES TAKEN INTO ACCOUNT FOR PURPOSES OF THE DEPENDENT CARE CREDIT FOR THE TAXABLE YEAR ARE LESS THAN \$4,800, OR, IN THE CASE OF AN INDIVIDUAL WHO HAS ONLY ONE QUALIFYING CHILD, LESS THAN \$2,400, THE CREDIT ALLOWED UNDER THIS SECTION EQUALS THE SUM OF:~~

~~(I) THE DEPENDENT CARE CREDIT ALLOWED FOR THE TAXABLE YEAR, AND~~

~~(II) 20% OF THE LESSER OF:~~

~~1. THE EXPENSES PAID BY THE INDIVIDUAL FOR QUALIFYING DAY CARE OR AFTER SCHOOL OPPORTUNITIES FOR QUALIFYING CHILDREN, NOT INCLUDING ANY EXPENSES TAKEN INTO ACCOUNT FOR PURPOSES OF THE DEPENDENT CARE CREDIT; AND~~

~~2. THE AMOUNT BY WHICH \$4,800, OR, IF THE INDIVIDUAL HAS ONLY ONE QUALIFYING CHILD, \$2,400, EXCEEDS THE EXPENSES TAKEN INTO ACCOUNT FOR PURPOSES OF THE DEPENDENT CARE CREDIT.~~

(C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE CREDIT ALLOWED UNDER THIS SECTION EQUALS THE LESSER OF:

(1) 25% OF THE FEDERAL CHILD AND DEPENDENT CARE CREDIT; OR

(2) THE STATE INCOME TAX FOR THE TAXABLE YEAR.

(D) (1) IF AN INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR EXCEEDS ~~\$50,000~~ \$30,000, THE CREDIT OTHERWISE ALLOWED UNDER THIS SECTION SHALL BE REDUCED BY ~~5%~~ 10% FOR EACH \$1,000 OR FRACTION OF \$1,000 BY WHICH THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME EXCEEDS ~~\$50,000~~ \$30,000.

(2) IN THE CASE OF A MARRIED INDIVIDUAL FILING A SEPARATE RETURN, IF THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR EXCEEDS ~~\$25,000~~ \$15,000, THE CREDIT OTHERWISE ALLOWED UNDER THIS SECTION SHALL BE REDUCED BY ~~5%~~ 10% FOR EACH \$500 OR FRACTION OF \$500 BY WHICH THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME EXCEEDS ~~\$25,000~~ \$15,000.

~~(E) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS SECTION AND §§ 10-701~~