

New Childcare Payroll Tax Effective 7/1/2024

May 21, 2024



The 2023 Childcare Bill, Act 76, expands access to and funding for childcare. It also imposes a 0.44% **payroll tax that will go into effect on July 1, 2024**. Employers may elect to cover the tax in full or split it with employees with 0.33% paid by the employer and 0.11% paid by the employee.

For more information including a short video, a seven-page guide, and the link to register for the **June 11 educational webinar for employers**, visit the Vermont Department of Taxes at <https://tax.vermont.gov/business/child-care-contribution>.