

Cost Sharing Options				
	Iowa	Kentucky	Michigan	Tennessee
	Child Care Business Incentive Grant	Employee Child Care Assistance Partnership	Tri-Share Child Care Pilot Project	
Purpose	Improvements to or new construction of child care facilities for employees, either as the provider or in partnership with a local child care provider Cost of child care	Cost of child care	Cost of child care	Construction Equipment and materials Cost of child care
Family Eligibility		No restrictions	Income eligibility is between 150% and 250% of FPL and not otherwise eligible for CCDF Employers determine which employees are eligible	60% of state median income to qualify for CCDF
Child Care Provider Eligibility	Must partner with registered child development homes and/or licensed child care centers		Employees choose a licensed child care provider	

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Cost Share	State and business each pay half	<p>State matches payments made by employers to a child care provider to pay for the care of an employee's child</p> <p>Match amount depends on income of family - from 100% if family is below 100% of median household income to 50% if family is above 180% of median household income</p> <p>Employer can require employee to pay part of the costs but they do not have to</p>	Cost of child care shared equally by employee, employer, and the state	<p>State pay up to \$100,000 for equipment and materials, using CCDF and ARP</p> <p>CDBG cover (some) construction costs</p> <p>State will pay cost of care for CCDF eligible families</p> <p>Tyson will cover cost of care for families not eligible for CCDF</p>
Funding Process	<p>Grants to businesses or consortia of businesses</p> <p>Business must pay and then be reimbursed</p>	<p>Employer, employee, and child care provider submit contract to state</p> <p>State pays their share directly to child care providers</p> <p>Waitlist created after funding exhausted</p>	Managed by regional hub that acts as an intermediary between employers, families, and child care providers, and provide overall program management. Hubs create and define payment policies, coordinate, and administer billing and fees between child	

			care providers, employers, employee, and the State of Michigan.	
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Maximum Funding	<p>\$1.5M for expansion</p> <p>\$3M for new build</p> <p>\$250,000 for child care costs</p>			<p>\$1000 per licensed slot for equipment and materials, capped at 100 slots (this is available to any provider). “Establishment Grants” Agency has the authority/discretion to go above cap.</p>
Other	<p>Businesses must have a minimum of 75 employees</p> <p>Twenty-five percent of the amount available for infrastructure is reserved for employers with between 75 and a maximum of 250 employees.</p> <p>Can apply for either construction/ improvements or child care slots but not both.</p>	<p>25% of total matches are reserved for small businesses (less than 50 employees)</p>	<p>Three pilots (rural, suburban, urban) with differing demographics so data can be collected and the program can be altered to meet the needs of families, providers, and employers. Pilot operating through 9/30/22.</p> <p>Each hub has funding for a maximum of 90 slots</p>	<p>Currently a pilot with Tyson</p>
Total Funding	\$25 million (ARP)	\$15 million included in the	\$900,000 for the pilot	

		state's two-year budget		
Year Begun	RFP released May 2022	Law passed April 2022 Funding begins July 2023	Law passed 2020	2022
	Iowa	Kentucky	Michigan	Tennessee
Sources	https://www.futurereadyiowa.gov/child-care-grants?utm_medium=email&utm_source=govdelivery	https://apps.legislature.ky.gov/recorddocuments/bill/22RS/hb499/bill.pdf https://kyyouth.org/quest-blog-benefits-of-establishing-the-employer-child-care-assistance-partnership/ https://kychamberbottomline.com/2022/03/30/legislation-to-help-businesses-provide-child-care-assistance-heads-to-governors-desk/	https://www.michigan.gov/mwc/initiatives/mi-tri-share-child-care-pilot-project	Phone call with Jude White, Gwen Laaser, and Dana Glenn, Tennessee Department of Human Services https://www.tn.gov/content/dam/tn/human-services/documents/stplan_pdf_2022%20downloaded%2019-22.pdf

Tax Credit Options				
State	Purpose	Taxes Impacted	Credit Rate/Amount	Source
Arkansas	Construction materials and furnishings	Gross receipts tax Compensating use tax	Refund of the gross receipts tax and the compensating use tax (both currently 6.5%) paid on construction materials and furnishings used in the initial construction of a child care facility, the primary purpose of which is providing care for the business' employees. Can operate or contract for the operation of the facility.	https://advance.lexis.com/container?config=00JAA3ZTUONTIzYy0zZDEyLTRhYmQtYmRmMS1iMWIxNDgxYWMxZTQKAFBvZENhdGFsb2cubRW4ifTiwi5vLw6cl1uX&crd=f4edb585-10cf-47c6-a559-32af37e13fc4 A.C.A. § 26-51-508 A.C.A. § 26-52-516 A.C.A. § 26-53-132
	Salaries of child care employees	Income tax	<p>If a business has constructed a facility, they can also claim an annual income tax credit of 3.9% of salary of their employees providing child care services OR they can claim a one-time \$5000 income tax credit.</p> <p>To be eligible for the income tax credit, the child care facility's revenue cannot exceed operating costs.</p>	
Colorado	Personal property to be used in the operation of a child care center	Income tax	An income tax credit of 20% of the taxpayer's expenditure on tangible personal property to be used in the operation of a licensed child care center or a family care home.	https://www.ced.org/asset/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20CO.pdf
	Cost of child care	Income tax	An income tax credit of 20% of the cost of providing child care services or the payment of the costs associated with child care services for children of	

			employees receiving public assistance.	
Georgia	Purchase of property	Income tax	An income tax credit of 100% of the cost of the child care property. The credit is claimed at the rate of 10% a year for 10 years . Recapture provisions apply if the property is transferred or committed to a use other than child care within 14 years after the property is placed in service.	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20GA.pdf
Illinois	Start up costs Cost of child care		An income tax credit of 30% of the start-up costs (planning, site-preparation, construction, renovation, or acquisition of a child care facility) to provide a child care facility for the children of its employee An income tax credit of 5% of the annual amount paid in providing the child care facility for the children of its employees. To receive the credit the business must either independently provide and operate a child care facility for the children of its employees or join in a partnership with one or more other corporations to jointly provide and operate a child care facility for the children of employees of the corporations in the partnership.	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20IL.pdf
Kansas	Cost of child care	Income Tax	An income tax credit of 30% of the cost of child care services purchased to provide care for the children of employees or for the provision of the service of locating such services for such children. Capped at \$30,000 per year. An income tax credit of 50% for the establishment	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20KS.pdf

			<p>and operation of a child care facility for employees' children, in the year the facility is established.</p> <p>Capped at \$45,000 per year.</p> <p>Cap on credits statewide per year is \$3 million.</p>	
Louisiana	<p>Construction, renovation, expansion, or major repair</p> <p>Cost of child care</p>	Income Tax	<p>An income tax credit of between 5% and 20% of costs, depending on the QRIS rating of the center.</p> <p>Maximum credit of:</p> <ul style="list-style-type: none"> - \$50,000 for construction, renovation, expansion, or major repair of an eligible child care facility or equipment purpose - \$5000 per child for payments made to an eligible child care facility for child care services to support employees - \$50,000 for purchase of child care slots at eligible child care facilities for children of the business' employees <p>Both for-profit and non-profit businesses are eligible</p>	<p>https://www.louisianabelieves.com/docs/default-source/early-childhood/school-readiness-tax-credits-(src)-guidance.pdf?sfvrsn=3b8a921f_15</p> <p>http://www.revenue.louisiana.gov/IndividualIncomeTax/SchoolReadinessTaxCredit</p>
Mississippi	<p>Cost of child care</p> <p>Construction</p>	Income tax	<p>An income tax credit of 50% for the cost of care provided by the employer or via contract with a child care center or family child care home.</p> <p>If the employer operates their own facility, the credit can also be used for construction, materials, and equipment.</p>	<p>https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20MS.pdf</p>

			Additional eligible expenses include increasing the quality, availability and affordability of dependent care in the community used by employees.	
New Mexico	Cost of care	Income tax	<p>An income tax credit of 30% for child care services for dependent children of employees paid for by the employer.</p> <p>An income tax credit of 30% for the net costs of operating a child facility used primarily by the dependent children of the business' employees.</p> <p>If two or more businesses share in the cost of operating a child care facility primarily for the dependent children of their employees, each business will receive a credit in relation to their share of the cost of operating the facility.</p> <p>The credit may not exceed \$30,000 per year. Excess credits can be carried forward for three consecutive years.</p>	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20NM.pdf
Oregon	Acquisition, construction, reconstruction, renovation or other improvement		<p>An income tax credit for acquisition, construction, reconstruction, renovation or other improvement of a child care facility for the children of employees. The center can be operated by the business or a combination of business or the business can contract with another entity to operate it.</p> <p>The credit is limited to the lesser of:</p> <ol style="list-style-type: none"> a. \$2,500 times the number of FTE employees located near the child care facility; b. 50% of the costs of the acquisition, 	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20OR.pdf

			construction, reconstruction, renovation or other improvement; or \$100,000.	
South Carolina	Capital expenditures for establishing a child care program for employees' children Cost of Child Care Care	Income tax, bank tax, or premium tax	<p>Credit of 50% of capital expenditures</p> <p>Capped at \$100,000</p> <p>Can be operated by the business or a donation can be made to a nonprofit who will establish the program.</p> <p>Credit of 50% of the expenses to operate a child care program or payments made directly to child care facilities for the care of employees' children. The payment may not exceed the amount charged to other children of like age and abilities of individuals not employed by the taxpayer.</p> <p>The maximum credit per employee is \$3000 a year.</p>	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20GA.pdf
Virginia	Construction, renovation, or purchase of a facility	Income tax	<p>An income tax credit of 25% of expenditures for planning, site preparation, construction, renovation, or acquisition of facilities for the purpose of establishing a child care facility to be used primarily by the children of such taxpayer's employees, and equipment installed for permanent use within or immediately adjacent to such facility.</p> <p>The maximum credit is \$25,000.</p> <p>Capped at \$100,000 in total credits per year?</p>	https://www.ced.org/assets/pdf/ell-statemaps/201003_CED_StateTaxMergedDoc%20VA.pdf

Maine (proposed)

Credit for providing child care services to children of employees by 1) building, furnishing, licensing, staffing, operating or subsidizing a child care center; 2) providing ECE services; or 3) contracting with a child care facility to provide ECE services.

Credit is between 5% and 20% of costs, depending on the QRIS rating of the center.

<http://www.mainelegislature.org/legis/bills/getPDF.asp?paper=HP1249&item=1&snum=130>