

Making Care Less Taxing: State Child and Dependent Care Tax Provisions, Tax Year 2019

Child and dependent care expenses can take a huge bite out of families' budgets. But direct child care assistance is not available to every family that needs help paying for child and dependent care.

The federal **Child and Dependent Care Tax Credit** and similar state tax provisions can help eligible families offset their child and dependent care expenses. These tax provisions can lower the income taxes that families pay and, in some cases, give cash refunds to families whose incomes are too low to owe taxes.

Twenty-eight states (including the District of Columbia) have child and dependent care tax provisions, most of which are based in some way on the federal credit. Fourteen of those states offer refundable credits (listed in bold).

STATE TAX PROVISION ¹	MAXIMUM VALUE
Arkansas Child Care Credit	\$420
Arkansas Early Childhood Program Credit²	\$420
California Child and Dependent Care Expenses Credit	\$1,050
Colorado Child Care Expense Tax Credit³	\$1,050
Colorado Low-Income Child Care Expenses Credit	\$1,000
Delaware Child Care Credit ⁴	\$1,050
District of Columbia Credit for Child and Dependent Care Expenses	\$672
District of Columbia Keep Child Care Affordable Tax Credit⁵	\$1,000 (per eligible child)
Georgia Child and Dependent Care Expense Credit	\$630
Hawaii Credit for Child and Dependent Care Expenses	\$1,200
Idaho Tax Subtraction for Child and Dependent Care Expenses	\$416
Iowa Child and Dependent Care Credit⁶	\$1,575
Kansas Credit for Child and Dependent Care	\$394
Kentucky Child and Dependent Care Credit	\$420
Louisiana Child Care Credit⁷	\$1,050
Louisiana Child Care Expense Credit⁸	\$2,100
Louisiana Household Expense for Physically and Mentally Incapable Persons Credit	\$2,100
Maine Child Care Credit⁹	\$1,050
Maine Adult Dependent Care Credit	\$525
Maryland Credit for Child and Dependent Care Expenses¹⁰	\$672
Maryland Child and Dependent Care Expenses Subtraction	\$345

STATE TAX PROVISION ¹	MAXIMUM VALUE
Massachusetts Tax Deduction for Child and Dependent Care Expenses	\$485
Minnesota Child and Dependent Care Credit	\$2,100
Montana Child and Dependent Care Expense Deduction ¹¹	\$180 for 2 children or dependents, \$192 for 3 or more
Nebraska Credit for Child and Dependent Care Expenses	\$2,100
New Jersey Child and Dependent Care Credit	\$1,000
New Mexico Child Day Care Credit¹²	\$960 for 2 children or dependents, \$1,200 for 3 or more
New York Child and Dependent Care Credit	\$2,310
Ohio Child Care and Dependent Care Credit	\$2,100
Oklahoma Child Care Tax Credit ¹³	\$420
Oregon Working Family Household and Dependent Care Credit¹⁴	\$18,000
Rhode Island Credit for Child and Dependent Care Expenses	\$525
South Carolina Credit for Child and Dependent Care	\$420
Vermont Credit for Child and Dependent Care Expenses ¹⁵	\$504
Vermont Low-Income Child and Dependent Care Credit¹⁶	\$1,050
Virginia Deduction of Child and Dependent Care Expenses	\$345

You can access information about state child and dependent care tax provisions in NWLC's report, Making Care Less Taxing, and additional resources at <https://nwlc.org/resources/mclt/>. If you are interested in introducing or improving a child and dependent care tax provision in your state, or in more information about the [federal Child and Dependent Care Tax Credit](#) on which many state credits are based, contact Amy Matsui at amatsui@nwlc.org.

- 1 Refundable or partially refundable credits are listed in bold. Credit/deduction names are based on the names on the state tax forms, not statutory provisions.
- 2 In order for a family to claim the refundable portion of this credit, the care expenses must be incurred for children age 5 and under in an approved early childhood program.
- 3 Only child care expenses may be claimed for this credit.
- 4 Child and dependent care expenses may be claimed for this tax credit.
- 5 Child care expenses must have been incurred at a D.C. licensed child development facility to count towards this credit. A child receiving any child care subsidies is excluded from the credit.
- 6 Eligible families may claim the higher of the child and dependent care tax provision or the state's Early Childhood Development Tax Credit, which is worth up to \$250 per eligible child, but not both.
- 7 Eligible families can claim all three of the Louisiana credits.
- 8 Only care expenses for children aged 5 and under enrolled in child care programs rated two stars or higher on Louisiana's Quality Start rating system may be claimed for this credit.
- 9 In order for a family to claim the maximum value of this credit, the expenses must be incurred at nationally accredited child care sites approved by the Maine Department of Health and Human Services.
- 10 The credit is refundable for families with an Adjusted Gross Income of \$50,000 or less for individuals or \$75,000 or less for married couples filing jointly. Eligible families may claim both Maryland child and dependent care tax provisions.
- 11 Only care expenses for children under age 15 may be claimed for this credit.
- 12 Only care expenses for children under age 15 may be claimed for this credit.
- 13 Eligible families may claim the higher of the child and dependent care tax provision or a credit worth 5% of the federal child tax credit, but not both.
- 14 Only care expenses for children under age 13 or disabled spouses or dependents of any age may be claimed for this credit.
- 15 Eligible families may claim either the Vermont Tax Credit for Child and Dependent Care Expenses or the Vermont Low-Income Child and Dependent Care Tax Credit, but not both.
- 16 Only expenses incurred in child care facilities that are either nationally accredited or rated three or more stars on Vermont's STARS quality rating system may be claimed for this credit.