

school readiness TAX CREDIT

NebraskaChildCareTaxCredits.org



Help for Child Care Professionals

Caring for little kids is a big responsibility. It takes a lot to give our youngest kids a strong start in life, which is why it's so important to encourage and reward our state's early childhood educators for developing their skills, credentials and careers. The refundable School Readiness Tax Credit can help.

Who is this tax credit for?

The refundable School Readiness Tax Credit is available to qualifying staff members of child care programs and self-employed professionals, such as Family Child Care Home (FCCH) providers.

What's a refundable tax credit?

Refundable tax credits reduce the amount you owe in state income tax. If the amount of the credit is larger than your tax liability, the difference is refunded to you.

How do I know if I'm eligible?

You may be eligible for the refundable School Readiness Tax Credit if you:

- ▶ Have been employed for at least six months in a child care program participating in Step Up to Quality during 2026.
- ▶ Completed at least 12 hours of in-service training approved by the Nebraska Department of Education (NDE) during 2026.
- ▶ Are registered in the Nebraska Early Childhood Professional Record System (NECPRS).

Who is not eligible?

Teaching and administrative staff employed in before/after school and pre-K programs established by school boards or ESUs are **not eligible** for the refundable School Readiness Tax Credit.

How much is the tax credit?

The size of the refundable credit corresponds to the applicant's Professional Classification Level as determined by Nebraska Department of Education (NDE) criteria. Visit stepuptoquality.ne.gov/tax-credits/ for more information.

Professional Classification Level	Tax Credit Amount
5	\$3,707
4	\$3,389
3	\$3,072
2	\$2,754
1	\$2,436

Am I guaranteed a tax credit if I qualify?

Over 12 million was requested for the 2025 School Readiness Tax Credit, far exceeding the \$7.5 million available. The sooner you apply after the application period opens, the more likely you are to receive the tax credit before the money runs out, but unfortunately there is no guarantee.

NDOR will process applications strictly in the order in which they are received until the annual \$7.5 million limit for the refundable and nonrefundable School Readiness Tax Credit is met.

My School Readiness Tax Credit last year was less than I expected. Why was my credit prorated?

If your application is received on the day that the annual \$7.5 million limit for the refundable and nonrefundable School Readiness Tax Credit is reached, the tax credit awarded will be prorated by NDOR based on the total amount of approved tax credit requests received that day.

How to Apply

**STEP
1**

NECPRS ATTESTATION

Applying for the tax credit is a two-part process. The first part is submitting an attestation application to the Nebraska Department of Education (NDE) through the Nebraska Early Childhood Professional Record System (NECPRS). This is a statement of your professional history, credentials and training hours. NDE recommends uploading your information to NECPRS by December 1, 2026.

**STEP
2**

SUBMIT YOUR TAX CREDIT APPLICATION

After your attestation is approved, save the form and submit it with your tax credit application to the Nebraska Department of Revenue (NDOR) using the online eDASH system when it opens in early 2027.

**STEP
3**

CLAIM THE TAX CREDIT

After your tax credit application has been processed, you will receive a notification from NDOR to log back into eDASH. If your application was approved, you will be able to retrieve your certification number and approved tax credit amount. Enter this information on the appropriate line on your state income tax return.



Nebraska Department of Education/Step Up to Quality Website

<https://stepuptoquality.ne.gov/tax-credits/>

- ▶ Explanation of the Professional Classification Level point system
- ▶ Video tutorials on the attestation application process in NECPRS



Nebraska Department of Revenue Website

revenue.nebraska.gov/about/information-guides/school-readiness-tax-credit-act

- ▶ Instructions for completing and submitting your application
- ▶ Online eDASH application portal



Nebraska Child Care Tax Credit and School Readiness Tax Credit Campaign Website

NebraskaChildCareTaxCredits.org

- ▶ Overview of the application process
- ▶ Messaging and public education resources

DISCLAIMER

The information in this document does not constitute tax preparation or financial advice. If you do not have access to an accountant or tax professional, ask about free tax preparation services in your community.