

school readiness TAX CREDIT

SchoolReadinessTaxCredit.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 2025.
- ▶ Completed at least 12 hours of in-service training approved by the Nebraska Department of Education (NDE) during 2025.
- ▶ 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	\$3,611
4	\$3,302
3	\$2,992
2	\$2,683
1	\$2,373

What has changed in the application process since last year?

There are two important changes in the 2025 application process:

- ▶ The application window for the refundable School Readiness Tax Credit will now open in January 2026.
- ▶ Beginning this year, all tax credit applications will be submitted electronically through the eDASH portal on the Nebraska Department of Revenue (NDOR) website.

Am I guaranteed a tax credit if I qualify?

Nearly \$11 million was requested for the 2024 School Readiness Tax Credit, far exceeding the \$7.5 million available. The Nebraska Department of Revenue (NDOR) will announce when the application period will begin in January 2026. The sooner you apply, 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. **When the \$7.5 million annual limit is reached, no further refundable or nonrefundable School Readiness Tax Credits will be issued until the following year.**

It is frustrating to apply for the tax credit and not receive it, but the high demand sends lawmakers a clear message about the need for financial supports for the state's child care workforce.

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 submitting your attestation application by December 1, 2025.

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 using the online eDASH system in January 2026.

STEP
3

CLAIM THE TAX CREDIT

If your tax credit application is approved, you will receive a **certification number** and the **approved credit amount** from NDOR. 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



School Readiness Tax Credit Campaign Website

SchoolReadinessTaxCredit.org

- ▶ Overview of the School Readiness Tax Credit application process
- ▶ Messaging and public education resources

DISCLAIMER

First Five Nebraska does not provide guidance on financial or tax preparation issues. If you do not have access to an accountant or tax professional, ask about free tax preparation services in your community.

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