

child care TAX CREDIT

NebraskaChildCareTaxCredit.org



Help for parents and families

Caring for young children can be a heavy burden on a family's finances. Nebraska's refundable **Child Care Tax Credit for parents and guardians** can help reduce some of those pressures and make providing for our little ones just a little bit easier.

Who is this tax credit for?

The refundable Child Care Tax Credit is for parents or legal guardians of one or more children age 5 or younger. Your family must meet certain household income guidelines or child care arrangements to be eligible for the credit.

How much money is available for the refundable tax credit?

The Nebraska Legislature approved \$15 million per year for the refundable Child Care Tax Credit. Applications for the credit will be processed on a **first-come-first-served basis** strictly in the order in which they are received by the Nebraska Department of Revenue (NDOR). **Once the \$15 million limit has been reached, no further tax credits will be given out until the following year.**

When should I apply?

The Nebraska Department of Revenue will open the application period for this tax credit in late January 2026. The sooner you apply, the better your chances are of getting the credit before the \$15 million cap is reached.

What's a refundable tax credit?

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

How do I know if I qualify?

You may be eligible for Nebraska's Child Care Tax Credit if:

- ▶ You have a child or children who were age 5 or younger as of December 31, 2025, **AND**
- ▶ Your annual household income was \$150,000 or less in 2025

In addition, at least **ONE** of the following conditions must apply to your family:

- ▶ Your child(ren) age 5 or younger are enrolled in a licensed child care program, **OR**
- ▶ Your child(ren) age 5 or younger receive(s) care from a license-exempt provider who participates in the child care subsidy, **OR**
- ▶ Your total household income in 2025 was less than or equal to 100% of the Federal Poverty Level.

How much is the tax credit?

If you meet the eligibility requirements, the size of the credit is determined by your household income for 2025 and the number of your children age 5 or younger as of December 31, 2025.

Total Household Income	Tax Credit (per child age 5 or younger)
\$75,000 or less	\$2,000 per child
Between \$75,000 and \$150,000	\$1,000 per child

What is the Federal Poverty Level?

The Federal Poverty Level (FPL) is used to determine eligibility for certain benefits and programs based on the size of the family's household. It is re-calculated every year by the federal government. **Learn more at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>**

Is the refundable Child Care Tax Credit the same as the federal Child Tax Credit?

No, they are entirely different. Nebraska's refundable Child Care Tax Credit has its own separate application process and is claimed on your state income tax return. The federal Child Tax Credit can be claimed directly on your federal income tax return.

Where to find more information



Nebraska Department of Revenue (NDOR) Website

<https://revenue.nebraska.gov/tax-credits/child-care-tax-credit-act/child-care-refundable-tax-credit>

- ▶ Online eDASH application portal
- ▶ Detailed instructions for completing and submitting your application



Nebraska Child Care Tax Credit Campaign Website

<https://NebraskaChildCareTaxCredit.org>

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

How to Apply

STEP
1

PREPARE FOR YOUR APPLICATION

Visit the Nebraska Department of Revenue (NDOR) website for a complete list of the information you'll need to have ready before filling out your application for the refundable Child Care Tax Credit. (See below)

STEP
2

COMPLETE AND SUBMIT THE APPLICATION

In late January 2026, NDOR will open the online eDASH portal on its website for the refundable Child Care Tax Credit. Use the portal to complete and submit your application.

STEP
3

CLAIM THE TAX CREDIT

If your application is approved, you will receive a **Certification Number** and a **Reserved Credit Amount** to enter into the appropriate line on your 2025 state income tax return. The amount of the credit will be subtracted from any tax you owe. Any unused credit will be refunded to you.

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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