

**QUESTIONS AND ANSWERS ABOUT THE SCHOOL READINESS TAX CREDIT
FOR PARENTS**

Q. What is the School Readiness Tax Credit (SRTC) for parents?

A. The SRTC is a new, additional state child care tax credit for taxpayers with children who are under the age of 6 and are enrolled in a child care center that has earned at least 2 stars in Louisiana's Quality Start program. The amount of the tax credit will increase with the number of stars that the child care center has earned. The SRTC adds to your existing state child care tax credit as follows:

Quality Rating of Child Care Facility	Percent Increase to Louisiana Child Care Tax Credit
Five Star	200%
Four Star	150%
Three Star	100%
Two Star	50%
One Star or not participating in Quality Start	0

Q. What is the existing Louisiana Child Care Tax Credit?

A. The current Louisiana Child Care Tax Credit is a credit for child care expenses that is based on the income level of the family and your out of pocket child care expenses. The Louisiana Child Care Tax Credit is based on the federal child care and dependent tax credit that you claim on your federal taxes.

Q. What is Louisiana's Quality Start?

A. Quality Start is a voluntary program for licensed child care centers designed to increase the quality of child care and early learning for all children throughout Louisiana. Both Class A and Class B centers may choose to participate and earn up to five stars.

Q. Who is eligible for the SRTC?

A. Eligible taxpayers must have incurred child care expenses for one or more children, under the age of six, who are enrolled in a licensed child care center that has earned at least 2 stars in the Louisiana Quality Start program by December 31st of the tax year.

Q. Can I still receive the SRTC if my child turned 6 during the year?

A. Yes. As long as your child was age 5 at some point during the year then the child care expenses incurred for that child are eligible.

Q: What if my child attended different child care centers throughout the year and they all had different ratings?

A. If a child attends multiple centers throughout the year, then the center with the highest rating is used to determine the SRTC.

Q. How much can a family earn and still be eligible for the tax credit?

A. All families are eligible to receive a credit as long as they pay for at least one child under the age of 6 to attend a center-based early childhood program that has attained at least a 2 star rating.

Q. How does a family claim the SRTC?

A. The Louisiana Department of Revenue will create a credit certificate that qualified child care centers will provide to each taxpayer claiming the child care tax credit. The credit certificate will consist of a provider portion of the certificate and a taxpayer portion of the certificate. The child care provider will complete the provider portion of the credit certificate and will give to each taxpayer who had a child at the facility during the calendar year no later than January 31 of the succeeding year. The provider portion of the credit certificate will include the following information: the child care facility name, the child care facility star rating, the child care facility Louisiana tax identification number, the child care facility Department of Social Services license number, the name of the child attending the facility and the issue date and effective year. The provider will submit to the Department of Revenue a list of all taxpayers to whom a certificate was issued. The taxpayer will then complete the taxpayer portion of the certificate which will include the following information: the name and social security number of the taxpayer claiming the credit and the name, social security number and date of birth for the qualifying child for whom this credit is claimed on the tax return. The taxpayer must submit or maintain the certificate as required by the Secretary of the Department of Revenue in subsequent forms and instructions.