

### Star Ratings and School Readiness Tax Credits for Families

In Louisiana, centers that are licensed to accept public funding will be rated on a scale of 0-5 stars. These stars show the performance quality level that the center has achieved, or if a center is new and beginning the process of demonstrating quality. Families that enroll their children in star rated centers are eligible to receive a **School Readiness Child Care Expense Tax Credit** based on how much they pay for their child’s care.

The **School Readiness Child Care Expense Tax Credit** is an 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 the state’s quality rating system. The amount of the tax credit depends on the number of stars that the child care center has earned, the income level of the taxpayer, and the out of pocket amount that the family is paying for care.

The Tax Credit adds to your existing state child care tax credit as follows:

Percent Increase to Louisiana Child Care Tax Credit	Star Rating of the Center	Center Performance Rating	Center Performance Score
200%	5 Star	Excellent	6.00-7.00
150%	4 Star	Proficient	5.25-5.99
100%	3 Star	Proficient	4.50-5.24
50%	2 Star	Approaching Proficient	3.75-4.49
0%	1 Star	Approaching Proficient	3.00-3.74

To be eligible for the School Readiness Child Care Expense Tax Credit, you must:

- Have incurred child care expenses for at least one child under the age of 6 during the calendar year; and
- Enroll child under the age of 6 in a licensed child care center that has earned at least 2 stars.

Please note that there is no income limit on eligibility for School Readiness Tax Credits.

#### How to File for the School Readiness Child Care Expense Tax Credit

If you have any questions about filing for refunds for the **School Readiness Child Care Expense Tax Credit**, please contact the Louisiana Department of Revenue for refund status at 225-219-0102 (individual) or 225-219-7462 (business) or visit [http://revenue.louisiana.gov/sections/individual/school\\_readiness.aspx](http://revenue.louisiana.gov/sections/individual/school_readiness.aspx).

#### Process for Receiving the School Readiness Child Care Expenses Tax Credit

- 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 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 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.