

One Hundred Eighth Legislature - First Session - 2023

Introducer's Statement of Intent

LB499

Chairperson: Senator Lou Ann Linehan

Committee: Revenue

Date of Hearing: March 8, 2023

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The intent of LB499 is to extend the School Readiness Tax Credit Act by 5 years from 2022 to 2027. The School Readiness Tax Credit provides two separate tiered income tax credits to eligible child care employees and child care providers.

A refundable income tax credit is available to child care employees that have a profile in the Nebraska Early Childhood Professional Record System (NECPRS) and have been employed by an eligible child care program for at least six months. The amount of the tax credit corresponds to the employee's professional classification.

A nonrefundable income tax credit is available to individuals and businesses that are ranked Step 3 or above in Step Up to Quality and serve children who participate in the child care subsidy program. The amount of the tax credit is equal to the average monthly number of children attending the program multiplied by a specific dollar amount corresponding to the program's quality rating.

Principal Introducer: _____

Senator Machaela Cavanaugh