Pennsylvania
Department of Revenue

FREQUENTLY ASKED QUESTIONS

EMPLOYER CHILD CARE CONTRIBUTION TAX CREDIT PROGRAM

REV-1912 (PO+) 07-25

OVERVIEW

The Employer Child Care Contribution Tax Credit Program encourages Pennsylvania businesses to support their employees who have children in eligible child care or early learning programs. Employers can receive a state tax credit when they make contributions toward their employees' child care costs. The program also ensures that licensed child care providers can easily participate.

For full details, you can read the **Guidelines for Businesses** and **Guidelines for Child Care Providers**.

INFORMATION FOR EMPLOYERS

Employers can receive a tax credit equal to 30% of their employees' eligible child care costs (with an annual contribution limit of $500 per employee).

Example

1. Employer contributes $500 toward employee's child care costs provided by a **certified provider**
2. 30% of $500 = $150
3. Tax credit of $150 may be awarded to the employer

ELIGIBILITY FOR EMPLOYERS

You may qualify if:

- Your business pays Pennsylvanian state taxes such as Personal Income Tax, Corporate Net Income Tax, or other applicable business taxes.
- You have at least one employee and remit PA employer withholding tax.
- You offer the contribution benefit fairly to all employees.
- You're current on all state tax obligations.

HOW TO APPLY

Apply through myPATH at **mypath.pa.gov** by the annual January 31 deadline to receive the credit for the prior year. You will need to provide proof of contributions such as bank records and provider receipts.

Upon logging into myPATH, the applicant must select the link for the application, under the "Applications" tile. When users select the link, they will be directed to the Application Introduction Page to begin the **Employer Child Care Contribution Tax Credit** application process.

You will need to provide proof of contributions such as bank records and provider receipts. If approved, you'll receive a tax credit certificate by April 30.

CREDIT USE

This is a non-refundable credit. You can apply it to your business taxes or pay it through your partners/shareholders (for S-corps, LLCs, etc.). Unused credits cannot be carried forward or refunded.

INFORMATION FOR CHILD CARE PROVIDERS

To be part of the program, a child care provider must:

- Be certified and in good standing with the Pennsylvania Department of Human Services (DHS).
- Be listed as a Child Care Center, Group Child Care Home, or Family Child Care Home under PA DHS licensing.
- Track all employer contributions received for individual children.
- Provide official receipts to each employer with details (including amount, date, and provider name).
- Ensure that each employer's contributions are properly documented.

CONTACT INFORMATION

For help with applications or general questions about the Employer Child Care Contribution Tax Credit Program, contact the Department of Revenue Office of Economic Development at 717-772-3896 or by email at **ra-rveconomic-dev@pa.gov**. For more information, visit **revenue.pa.gov/EmployerChildCareCredit**.