

Instructions

Who May File. Parents or legal guardians of children 5 years old or younger may apply to the Nebraska Department of Revenue (DOR) to receive a refundable tax credit. The parent or legal guardian must claim the child as a dependent for federal income tax purposes and is eligible for the refundable tax credit if:

- The child is enrolled in a child care program licensed pursuant to the Child Care Licensing Act;
- The child receives care from an approved license-exempt provider enrolled in the child care subsidy program pursuant to Neb. Rev. Stat. §§ 68-1202 and 68-1206; **or**
- The parent's or legal guardian's total household income is less than or equal to 100% of the federal poverty level.

The credit will equal:

- \$2,000 per child, if the total household income is no more than \$75,000; or
- \$1,000 per child, if the total household income is more than \$75,000 but no more than \$150,000.
- If the total household income is more than \$150,000, the parent or legal guardian is **not eligible** for the child care refundable tax credit.

When to File. Application submission for each tax year will open in January following the applicable tax year. The Child Care Refundable Tax Credit Application, Form 7203, must be certified by DOR prior to claiming the tax credit on your individual income tax return. **Parents and legal guardians submit the Child Care Refundable Tax Credit Application, Form 7203, using DOR's Electronic Document & Application Submission Hub ([eDASH](#)).**

What to File. Parents and legal guardians must submit the Child Care Refundable Tax Credit Application, Form 7203. If any dependent child received care from a DHHS approved license-exempt provider enrolled in the Child Care Subsidy Program pursuant to Neb. Rev. Stat. §§ 68-1202 and 68-1206, they must also submit a copy of the DHHS authorization with their application. The DHHS authorization is available in the parent's or legal guardian's ACCESSNebraska or iServe Nebraska account.

Where to File. Submit the Child Care Refundable Tax Credit Application, Form 7203, electronically through the [eDASH](#) portal.

Claiming the Credit. After your Form 7203 has been certified and returned by DOR, you must claim the reserved credit amount on the applicable line of your Nebraska individual income tax return. You will need the **Certification Number** and **Reserved Credit Amount** from the Estimated Credit Authorization section of your approved Form 7203 when claiming the credit on your Nebraska individual income tax return.

Nebraska Residency. Parents or legal guardians must be filing as a Nebraska resident to be eligible for the credit. Per [Neb. Rev. Stat. § 77-2714.01](#), resident individual shall mean an individual who is domiciled in Nebraska or who maintains a permanent place of abode in this state and spends in the aggregate more than six months of the taxable year in this state.

Dependent and Child Care Program Information. To qualify under [Neb. Rev. Stat. § 77-7203\(1\)](#) of the Act, the parent or legal guardian must have a dependent child, who is five years of age or less at the end of the calendar year and:

- * the dependent child must have been enrolled in a child care program licensed by the Nebraska Department of Health and Human Services (DHHS) pursuant to the Child Care Licensing Act or received care from an approved license-exempt provider enrolled in the child care subsidy program pursuant to Neb. Rev. Stat. §§ [68-1202](#) and [68-1206](#); or
- * the parent or legal guardian's total household income was less than or equal to the federal poverty level during the applicable tax year.

A program also qualifies if it is not required to be licensed under the Child Care Licensing Act because the program is operated or contracted by a public school district and subject to the rules and regulations of the Nebraska Department of Education pursuant to Neb. Rev. Stat § [71-1910](#) and [71-1916\(4\)](#).

A qualified child care program/provider name and all requested information must be entered for each Dependent Child unless the parent's or legal guardian's total household income was less than or equal to the federal poverty level during the applicable tax year.

Email. By entering an email address, the applicant acknowledges DOR may contact the applicant by email. The applicant accepts any risk to confidentiality associated with this method of communication. DOR will send all confidential information by secure email. A valid email address is required for all applications submitted electronically. All communication and notices for applications submitted in eDASH will be sent to the email address entered on the application.

Authorization for DOR to Send Notice by Secure Electronic Means. By submitting this application electronically, you have authorized the DOR to deliver any notice by electronic means in a secure manner to the email address entered, and you accept any risk to confidentiality associated with this method of communication. The DOR will send all confidential information by secure email.

Signature. This application must be signed by the parent or legal guardian who is claiming the eligible dependents for federal income tax purposes.

Annual Limit. The DOR will process completed applications in the order received until the annual limit has been reached. An application will be considered complete when all the information requested for this application has been submitted.

Appeal. The amount of approved credit is a final action of the Tax Commissioner and may be appealed. Appeals must be filed with the District Court of Lancaster County within 30 days after the date of the Tax Commissioner's final determinations. The amount of approved credit, outside of notification that the total annual limit allocated for all approved credits has been reached, is a final action of the Tax Commissioner and may be appealed.