

## Tax Credit for Employing a Member of a Unit that Received Temporary Assistance for Needy Families (TANF)

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Beginning with tax year 2017, there is a nonrefundable income tax credit equal to 20% of certain expenditures incurred by an employer for the benefit of eligible employees. Employer expenditures eligible for this credit include the following when incurred for the benefit of eligible employees:

- Tuition at Nebraska public institutions for postsecondary education;
- The costs of a high school equivalency program; and
- The cost for transportation of eligible employees to and from work.

The income tax credit may be claimed by the employer for two (not necessarily consecutive) tax years. An eligible employee is an individual who is a parent or caretaker relative who is a member of a family unit that received benefits under the state or federally funded TANF program for any nine months of the eighteen-month period immediately prior to the employee's hiring date, and whose hiring date is on or after the first day of the tax year for which the credit is claimed. The tax credit may be taken against individual, corporate, or fiduciary income taxes.

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