

Louisiana Workforce Child Care Tax Credits: Formerly School Readiness Tax Credits (SRTC)

How to Claim and What to Expect

Early childhood is crucial to future success, with 90% of brain development occurring before age five. As two-thirds of Louisiana families have working parents, access to quality early childhood education is essential. The Workforce Child Care Tax Credit (WCCTC) for Businesses helps employers support working families while investing in Louisiana's future workforce.

Businesses can support early childhood in their communities while benefiting from tax credits in two important ways:

- providing discounts and donations to childcare centers
- donating to regional child care support organizations, known as [Child Care Resource and Referral Agencies](#) (CCR&R)

What is Workforce Child Care Tax Credit for Businesses?

Louisiana Workforce Child Care Tax Credits (WCCTC), formally School Readiness Tax Credit (SRTC) are a package of refundable state tax credits designed to support quality childcare. Businesses with a Louisiana Tax ID can receive refundable tax credits for their donations to support early childhood.

A donation to a CCR&R is matched annually by a dollar-for-dollar refundable tax credit. These donations support the purchase of materials for children to play with and learn from, important training and professional development for early learning staff, and other investments in young children.

For donations made directly to childcare centers, the tax credit amount is based on the center's quality rating, with higher-rated centers generating larger credits. Businesses may donate directly or provide equivalent discounts and claim the credit. The WCCTC is available to both for-profit and nonprofit businesses.

For more general information about WCCTC for businesses, please see the [WCCTC Guidance](#) or [FAQs for Businesses](#), or contact your local [Child Care Resource and Referral Agency](#).

How do I claim the Workforce Child Care Tax Credit for Businesses?

To file the WCCTC for businesses:

- For individual tax filings, please utilize form [IT-540](#)
- Corporations and franchise entities should submit form [CIFT-620](#)
- Non-profit organizations are also required to complete form [CIFT-620](#)

You may access the latest versions of these documents for your business or personal filing by visiting the Louisiana Department of Revenue [Tax Forms](#) page.

On your tax form, you will need to use the correct codes to claim the Workforce Child Care Tax Credits.

- For donations and discounts to childcare centers, use code 67F
- For donations to Child Care Resource and Referral agencies, use code 68F

To claim the WCCTC for businesses, your business must have incurred eligible expenses that support a Type III childcare center or CCR&R. For a description of eligible expenses, please refer to WCCTC [FAQ for Businesses](#).

For detailed information on how to claim WCCTC on your taxes, it is recommended that you contact your tax preparer or the Louisiana Department of Revenue.

What should I expect when I claim the Workforce Child Care Tax Credit for Businesses?

You should expect to see either a reduction in your tax burden or a refund equivalent to a percentage of eligible costs for childcare centers, or the amount donated up to Resource and Referral agencies.

When you claim WCCTC for businesses, you should expect to receive a notice from the Louisiana Department of Revenue (LDR) stating that your tax return has been selected for review. This is an internal review to verify that supporting documentation was submitted with your return.

When your WCCTC claim is reviewed, LDR will request the following documents if they are not attached to your return:

1. A schedule K-1, Partner's or Shareholder's Share of Income, Deductions, Credits, etc. which shows the percentage of donations that can be claimed for the named partner or shareholder, AND
2. A formal letter from the Child Care Resource and Referral agency showing proof of donation, along with a copy of the canceled check submitted to the center.

The typical processing time for tax returns/refunds will vary, but to check the status please contact the numbers below for questions and return status. Ensuring that all of the required documentation is provided when you file your return will lead to a faster review time.

If your WCCTC credit is disallowed, it is most likely because you did not provide the correct documentation. Please contact the Louisiana Department of Revenue with follow-up questions.

Helpful contacts for additional information:

Louisiana Department of Revenue: 1-855-307-3839 or visit LDR's [Where's My Refund?](#)
Louisiana Department of Education: 1-877-453-2721 or [Submit an LDOE Request](#)