

- (3) For the purchase of child care slots at eligible child care facilities actually provided or reserved for children of employees from \$50,000 to \$100,000.

Present law authorizes a tax credit for the eligible business child care expenses paid by a business. The percentage of the credit depends upon the quality rating of the child care facility to whom the eligible business child care expenses are paid. The percentages are as follows:

- (1) Five star facility - 20%
- (2) Four star facility - 15%
- (3) Three star facility - 10%
- (4) Two star facility - 5%
- (5) One star facility - 0%

Proposed law retains present law but increases the percentage of the credit based upon the quality rating of the facility as follows:

- (1) Five star facility - increased from 20% to 50%
- (2) Four star facility - increased from 15% to 40%
- (3) Three star facility - increased from 10% to 30%
- (4) Two star facility - increased from 5% to 20%
- (5) One star facility - remains 0%

Applicable to taxable periods beginning on or after January 1, 2026.

Effective January 1, 2026.

(Amends the heading of Ch. 2 of Subtitle VII of Title 47 of the La. Revised Statutes of 1950, R.S. 47:6102(7) , and R.S. 47:6107(A)(1) as amended and reenacted by §1 of Act No. 6 of the 2024 3rd ES)