



DEPENDENT CARE CREDITS FOR EMPLOYERS

Name of Taxpayer (as shown on taxpayer's return)	Social Security Number	Tax Year
Name of Business (if different from name of taxpayer)	Federal Identification Number	Business Identification Number

Business is operated as:
 SOLE PROPRIETORSHIP
 PARTNERSHIP
 CORPORATION
 FIDUCIARY

Oregon allows a credit to employers who provide dependent care assistance to their employees. There are **three** different credits available under this program. Qualifications and requirements for these credits are found in Oregon Revised Statutes (ORS) 315.204 and 315.208.

Note: These credits are available only to employers.

I. INFORMATION AND REFERRAL SERVICES CREDIT [see ORS 315.204(3)(a), OAR 150-315.204-(C)]

This credit is available to employers who pay for information and referral services to help their Oregon employees find dependent care providers.

1. Number of employees who work in Oregon	1	
2. Cost to provide these services to Oregon employees during this tax year	2	
3. Information and Referral Services credit for this year (line 2 multiplied by 50 percent)	3	

II. DEPENDENT CARE ASSISTANCE CREDIT [see ORS 315.204(1), OAR 150-315.204-(B)]

This credit is allowed to employers who pay for the care of their employees' dependents.

1. Do you have a written dependent care assistance plan? 1 Yes No

	Employee A	Employee B	Employee C	
2. Cost of dependent care assistance that you provided to your employees during this tax year. *(Dependent care provider must be in Oregon.) (Computation must be made for each employee.)				2
3. Potential credit based on cost (line 2 multiplied by 50 percent)				3
4. Maximum credit per employee	\$2,500	\$2,500	\$2,500	4
5. Allowable credit for each employee (smaller of line 3 or line 4)				5
6. Total Dependent Care Assistance Credit (total from line 5 for all employees). (Attach schedule showing computation if more than 3 employees.)				6

Do not include amounts paid by employees through a salary reduction plan. If you provide dependent care assistance in your work-site facility, use actual operating costs or the fair market value of the services provided.

- Your business expense deductions for providing dependent care assistance to your employees must be reduced by the amount on line 6. Enter this amount on your Oregon personal income tax return or corporate excise tax return as an "Other Addition."
- The cost of dependent care assistance provided by you cannot be used by your employees to claim a child care credit on their personal income tax return.

III. DEPENDENT CARE FACILITY CREDIT [see ORS 315.208, OAR 150-315.208] **(Note: This credit will not be available for facilities first placed in service after 2001.)**

This credit is allowed to employers who acquire, construct, or renovate real property located in **Oregon** to provide a dependent care facility for use by their employees.

1. Location of the facility. City _____

2. Date the facility was placed in operation. _____

3. How many miles from the work site is the facility? _____

4. Number of children that can be cared for in the facility 4

--

5. Number of **employees** who used the facility during the tax year 5

--

6. Number of **nonemployees** who used the facility during the tax year 6

--

7. Do you have a written dependent care assistance plan? 7 Yes No

8. Were dependent care services provided in the facility on the last day of your business operations?
[See OAR 150-315.208(2)(e)] 8 Yes No

9. Did the facility operator hold a valid certificate of approval from the Department of Employment,
Child Care Division, on the last day of the tax year? 9 Yes No

Attach a copy of the certificate if this is the first year the credit is claimed, or if the facility operator is new this year.

10. Total cost of the facility (or your share of the cost if several employers join in building a facility) 10

--

11. Potential credit based on cost (line 10 multiplied by 50 percent) 11

--

12. Number of full-time equivalent (FTE) employees on any date during the two-year period ending on the last day of this tax year (only employees who work within two miles of the facility can be included) 12

--

13. Potential credit based on FTE employees (line 12 multiplied by \$2,500) 13

--

14. Statutory limit of \$100,000 14

\$100,000

15. Total available credit (lesser of line 11, line 13, or line 14) 15

--

16. Annual Dependent Care Facility Credit (multiply line 15 by 10 percent) 16

--

Each year, your Oregon **depreciation deduction** for the facility must be reduced by the annual credit claimed (line 16), until it has been absorbed. Enter this reduction on your Oregon personal income tax return or corporate excise tax return as an "Other Addition."

For assistance, call 503-378-4988, or write to: Oregon Department of Revenue
955 Center St NE
Salem OR 97301-2555

Or, check our Web site at www.dor.state.or.us.