

Financial Assistance

Child Care Subsidy

The Office of Child Care Subsidy, a division of the Alabama Department of Human Resources (DHR), administers the subsidized child care program funded through the Child Care and Development Fund. The program provides Alabama's low-income families with equal access to child care as they participate in work, educational or training activities. For information and an application visit www.dhr.state.al.us.

Subsidized Child Care Program – Childcare Resources

Childcare Resources administers a financial aid program for low-income working families who meet all five of the following eligibility requirements:

- Live in Blount, Jefferson, Shelby or Walker Counties
- Work (parent and spouse/partner) at least 35 hours a week
- Not eligible for child care assistance from DHR
- Apply for children up to 5 years of age (until eligible to start 5K)
- Qualify according to the Annual Income Eligibility Scale

For more information and an application visit www.ccr-bhm.org or call 205-252-1991 ext. 307.

Military Child Care Assistance

The National Association of Child Care Resource and Referral Agencies (NACCRRA), through a partnership with the Department of Defense, offers military families child care assistance. The program subsidizes active duty and/or deployed service member's child care fees if they are unable to access child care on a military base. The program pays a portion of the family's child care fees directly to the child care provider. For eligibility information call Child Care Aware at 1-800-424-2246 or visit www.naccrra.org.

Tax Credits

Child and Dependent Care Credit is available to people who, in order to work or to look for work, must pay for child care for dependents under the age of 13. The credit is also available to those who pay for the care of a spouse or a dependent of any age who is physically or mentally incapable of self care. The credit is a percentage, based on your adjusted gross income, of the amount of work-related child and dependent care expenses you paid to a care provider.

Earned Income Tax Credit is a refundable federal income tax credit for low-income working individuals and families. To qualify, taxpayers must meet certain requirements and file a tax return, even if they did not earn enough money to be obligated to file a tax return.

Child Tax Credit may help to reduce the federal income tax owed by up to \$1,000 for each qualifying child under the age of 17. A qualifying child is one who is claimed as your dependent; was under the age of 17 at the end of the year; is your son, daughter, adopted child, grandchild, stepchild or eligible foster child, your sibling, stepsibling or their descendant and is a U.S. citizen or resident alien. The credit is limited if your modified adjusted gross income is above a certain amount. The amount at which the phase-out begins depends on your filing status.

For more information on these and other tax credits visit www.irs.gov.

Free Tax Preparation Service is available through the United Way of Central Alabama call 1-866-869-4921 or 2-1-1 for more information.

Pre-tax Accounts for child and dependent care may be available through your employer. This option requires you to estimate your annual expenses (up to \$5,000 a year) and draw those funds throughout the year from an account that has been set up using pre-tax dollars from your payroll deductions. Ask your employer if this is available where you work.