



**EMPLOYER CHILD CARE CONTRIBUTION CREDIT**  
OFFICE OF STATE TAX COMMISSIONER  
SFN 28758 (12-2025)

**Schedule ECC**

**2025**

Attach to Form ND-1,  
38, 40, 58, or 60

Taxpayer's Name as Shown on Return	Social Security Number or FEIN
Employer / Payer Name (if different than Taxpayer)	FEIN

1.	(a) Employee Name (Last, First)	(b) Last 4 Digits of SSN	(c) Name of Licensed Child Care Provider	(d) Provider's City	(e) Qualifying Contribution (up to \$1,000)

2. a. Total contributions from table above. Add amounts in column (e) of line 1 \_\_\_\_\_ **2a** \_\_\_\_\_

b. Total contributions from all attached supplemental worksheets (if any) \_\_\_\_\_ **2b** \_\_\_\_\_

c. Total of all qualifying contributions. Add lines 2a and 2b \_\_\_\_\_ **2c** \_\_\_\_\_

3. Multiply line 2c by 50% (0.50) \_\_\_\_\_ **3** \_\_\_\_\_

4. Credit for employer child care contributions from all  
North Dakota Schedules K-1 received (*Attach a copy*) \_\_\_\_\_ **4** \_\_\_\_\_

5. Total credit. Add lines 3 and 4 \_\_\_\_\_ **5** \_\_\_\_\_

<b>If filing:</b>	<b>Enter the amount from line 5 on:</b>
Form ND-1 .....	Schedule ND-1TC, line 10
Form 38 .....	Schedule 38-TC, line 8
Form 40 .....	Form 40, Schedule TC, line 17, or on Schedule CR, Part III, line 17
Form 58 .....	Form 58, Schedule K, line 25
Form 60 .....	Form 60, Schedule K, line 22

**Privacy Act Notification.** In compliance with the Privacy Act of 1974, disclosure of the individual's social security number on this form is required under N.D.C.C. §§ 57-01-15 and 57-38-31, and will be used for tax reporting, identification and administration of North Dakota tax laws. Disclosure is mandatory. Failure to provide the social security number may delay or prevent the processing of this form.

## General Instructions

A qualified employer may be eligible for an income tax credit against the income tax liability for child care contributions made to subsidize a qualified employee's child care costs. A taxpayer completes this schedule to compute the amount of income tax credit earned for the tax year.

The tax credit is 50% of the taxpayer's aggregate total child care contributions during the taxable year, limited to \$1,000 of contributions per employee. Any credit in excess of the tax is not refundable and may not be carried over to subsequent tax years.

If the taxpayer's quarterly payroll for North Dakota income tax withholding purposes is reported to the North Dakota Office of State Tax Commissioner under a different employer name and Federal Employer Identification Number (FEIN), that information is required. For example, the name of the employer for payroll reporting purposes may be different than for income tax purposes because the employer is a disregarded entity or is a professional employer organization.

**Qualified Employer.** A qualified employer means an employer which:

- Made a child care contribution in the taxable year; and
- Provided an equal opportunity to all employees that have child care costs to receive an equal child care contribution from you during the taxable year. (By completing this schedule, the taxpayer is attesting it satisfies this criteria.)

The income tax credit is available to corporations, individuals, estates, trusts, and passthrough entities meeting the criteria as a qualified employer.

Passthrough entities entitled to the credit are considered the taxpayer, and the amount of credit must be determined at the passthrough entity level and passed through to each owner based on their respective interests.

**Qualified Employee.** A qualified employee means an individual employed by the qualified employer who has incurred child care costs to a qualified child care provider.

**Child care costs.** Child care costs means costs incurred by an employee for early childhood services rendered by a licensed child care provider, which are incurred to enable the employee to be gainfully employed by the employer.

**Child care contributions.** A child care contribution means a payment made to a child care provider (or to an employee to reimburse the employee) for the employee's child care costs incurred to a qualifying child care provider. The credit is based on contributions during the taxpayer's tax year (fiscal year end) for income tax purposes.

Child care contributions do not include payments from an employee's flexible spending account or other similar salary redirection arrangement. Payments to providers not licensed are not eligible.

**Child care provider.** Child care provider means an early childhood services provider licensed under North Dakota Century Code (N.D.C.C.) Ch. 50-11.1 or a substantially similar provider that is licensed by another state and provides early childhood services within 10 miles of North Dakota.

## Specific Line Instructions

### Line 1

Enter the name and last four digits of the Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) of each qualifying employee and include the name of the qualified child care provider, the city of the provider, and the amount of the qualifying contribution, not to exceed the maximum of \$1,000 per employee.

If you have more than 10 qualifying employees, complete the additional Page 3 Supplemental Worksheet as needed. Also complete a separate Page 3 Supplemental Worksheet for each of the taxpayer's separate employers (if more than one).

As an alternative to separate or additional Page 3 Supplemental Worksheets, a taxpayer can provide a schedule which includes the same information as prescribed on the worksheet.

If you only have a tax credit attributable to an interest in a passthrough entity, skip lines 1-3 and go to line 4.

### Line 2a

Enter the total qualifying contribution from line 1, column (e).

### Line 2b

Enter the total amount from all Page 3 Supplemental Worksheets.

### Line 3

Multiply the total entered on line 2c by 50% (0.50). The total credit available is equal to 50% of the total child care contributions.

### Line 4

Enter the total credit from all North Dakota Schedule(s) K-1 you received.

### Line 5

Add lines 3 and 4 and enter on line 5. The amount from this line is entered on the corresponding schedule or form as shown.

For corporations included on Form 40, Schedule CR, a separate Schedule ECC is required for each corporation claiming a credit.

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