

**261—57.2(237A) Authorization of tax credits.**

**57.2(1)** An employer child care tax credit is authorized pursuant to Iowa Code section 237A.31 as amended by 2023 Iowa Acts, Senate File 181.

**57.2(2)** The proportion of a taxpayer's federal credit attributable to expenditures made in Iowa equals the ratio that the sum of the amount described in paragraph 57.2(2) "a" bears to the sum total of the amount described in paragraph 57.2(2) "b." The ratio shall be expressed as a percentage rounded to the nearest hundredth percent.

*a.* The qualified child care expenditures paid or incurred with respect to a qualified child care facility in Iowa, plus qualified child care resource and referral expenditures paid or incurred with respect to Iowa employees.

*b.* The qualified child care expenditures and qualified child care resource and referral expenditures.

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