

Unlocking Ohio's Workforce Potential

A High-ROI Strategy for Business Growth

The Child Care Cred Pilot & Enhanced 45F Tax Credit

Ohio businesses are facing a pivotal moment. Reliable child care isn't just a family issue—it's a workforce opportunity hiding in plain sight.



A recent report from the Ohio Chamber of Commerce, the U.S. Chamber Foundation, and Groundwork Ohio shows that child care breakdowns cost Ohio \$5.48 billion every year, including \$3.97 billion in direct employer losses from absenteeism, turnover, and reduced productivity.¹

At the same time, Groundwork Ohio's statewide poll found that 56% of Ohio parents would enter or expand their work hours if affordable, quality care were available.²

That is an untapped workforce pipeline ready to be activated.

To help employers capture this, Governor Mike DeWine and the Ohio General Assembly created the Child Care Cred Pilot, a one-year \$10 million grant opportunity designed to make child care more affordable for working families—and more cost-effective for employers to support as a recruitment and retention strategy.

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\$5.48 billion
ANNUALLY



Ohio's Child Care Cred Pilot: A Workforce Strategy Built for Business

The Child Care Cred Pilot (July 1, 2025 – June 30, 2026) is a simple, shared-investment model that reduces child care costs and increases workforce reliability for employees earning between 200% – 400% of the Federal Poverty Level (FPL):

EXAMPLE: How Child Care Cred Delivers Value to Ohio Employers & Employees

- A local child care provider charges \$1,000/month for an employee's child care needs.
- The employee is part of a 3-person household earning 200%-400% FPL.
(2 caregivers and 1 child earning \$4,442-\$8,884 monthly or \$53,304 to \$106,608 annually)

The employee + employer apply for the program together with a licensed child care provider.

40% PARENT/EMPLOYEE	+	40% EMPLOYER	+	20% STATE OF OHIO	= 100%
Monthly Cost Share: \$400	+	\$400	+	\$200	= \$1,000
Annual Cost Share: \$4,800	+	\$4,800	+	\$2,400	= \$12,000

(These cost-share numbers are relevant to the employee scenario example above.)

Why This Works:

- Strengthens recruitment in a tight labor market
- Increases retention and loyalty
- Reduces absenteeism and schedule disruptions
- Demonstrates a family-forward brand advantage
- Offers a predictable shared-cost

Impact on Businesses:

(Amounts based on the employee scenario example above.)

- **Employee saves \$7,200/year.** Dramatically reducing financial strain
- **Employer invests \$4,800/year.** Far less than the cost of turnover
- **State leverage of \$2,400** amplifies employer investment and strengthens participation

→ To learn if you qualify for this grant, learn more & apply at:

Childrenandyouth.ohio.gov >

**APPLICATIONS CLOSE
MAY 1, 2026**

How to lower employer costs even further...



The Enhanced 45F Tax Credit

“When parents have quality child care, Ohio’s employers have productive employees who are not worried about their kids during work... It’s a win for families, businesses, and communities across our state.”

~ Governor Mike DeWine

Beginning January 1, 2026, the updated 45F Employer-Provided Child Care Tax Credit transforms employer child care investments into a high-ROI workforce benefit.

When paired with Ohio’s Child Care Cred Pilot, the 45F Tax Credit can significantly reduce the employer’s net contribution—stretching every dollar invested in workforce reliability.

New & Improved Features:

- Up to 40% tax credit on qualified child care expenses
- Annual credit cap: \$500,000 for most employers; up to \$600,000 for eligible small businesses
- Eligible expenses include on-site centers, contracting with licensed providers, offering referral services
- Multiple employers may jointly own or contract with a provider and still qualify

For More Information

To learn more about this Employer-Provided Child Care Tax Credit, please consult your tax advisor and review this resource³:

Scan or Click



Need Help Getting Started? Partner with Us.

The Ohio Chamber of Commerce and Groundwork Ohio are working together to help employers access these benefits, maximize their impact, and continue to harness state investments to create child care and workforce solutions.

→ Email Vanessa Butler (vbutler@groundworkohio.org)



**OHIO CHAMBER
OF COMMERCE**



**Groundwork
OHIO**

SOURCES

1. *Untapped Potential: Ohio* (2025), U.S. Chamber Foundation, Ohio Chamber of Commerce, and Groundwork Ohio; [Untapped Potential: Economic Impact of Childcare Breakdowns in the U.S. | U.S. Chamber of Commerce Foundation](#)
2. *Ohio Statewide Poll on Child Care Access and Workforce Participation* (2025), UpOne Insights; [d114b9_1d83be0a47a24839a387b11fb753dee5.pdf](#)
3. *Employer Provided Child Care Credit 45F* (2025), First Five Years Fund; [Employer-Provided Child Care Credit \(45F\): Overview - First Five Years Fund](#)



GroundworkOhio.org