



# Child Care

## TAX RELIEF

[ChildCareTaxRelief.com](http://ChildCareTaxRelief.com)



Presented By:  
Gina Martinez  
Children at Risk

# Introduction

## 1. Thank You

- a. Introductions

## 2. Realities / Child Care Cliff

- a. Local economies intertwines closely with the well-being of working families
- b. Vicious cycle of not enough workers in workforce
- c. Parents can't find affordable high quality child care
- d. COVID relief funding that has allowed many child care provider to stay open and retain staff during pandemic will expire

## 3. Constitutional Amendment

- a. Passed by 1.6 mm Texans in November
- b. Allows city and county officials to provide property tax relief to child care providers serving working families

## 4. Investments

- a. Reduce child care costs for families
- b. Expand child care available to working parents
- c. Support wages for child care educators
- d. Reinvest savings into quality education for children

## 5. Next Steps

- a. Need to support our local economy, small businesses and El Paso families and pass a 100% property tax break for qualifying child care providers



# State of El Paso Child Care

01

**70.8** Seats per **100**  
Children

02

**387** Child Care Facilities  
in El Paso

03

**128** Child Care Facilities  
Closed in 2023

04

**105** Facilities Qualify for  
the Child Care Tax Relief

05

**5,266** Children Enrolled  
in the **105** Eligible Child  
Care Centers





# Impact on City

5

## Number of Texas Counties/Cities That Passed CCTR

City of Austin, Aransas County, City of Denton, City of Dallas & Dallas County

9

## Number of Counties/Cities Working to Pass CCTR

Bexar County, City of San Antonio, Hays County, City of Houston, Harris County, City of Forth Wroth, Lubbock County, Travis County & El Paso County

\$

## \$49,740.35 Approximate Cost to the City

Out of 387 Child Care Providers 105 are eligible. Currently we collect \$183,328.72 from the 387 providers.  $\$183,328.72 / 387 = \$473.72 \times 105 = \$49,740.35$ . Location! Location! Location!

↑  
\$

## Return on investment \$4 to \$16 per dollar spent

according to Nobel Prize winning economist James Heckman.  
ROI range \$198,961 to \$795,846

↻  
\$

## Indirect Impact / Recruiting New Businesses

The money it is going to cost us to reduce child care providers taxes is small vs. the cost of not having a workforce

El Paso is actively recruiting new businesses. Families look at child care options.





# Child Care Tax Relief Requirments

01

01



02



**20%** of Children on  
Workforce Solutions  
Scholarships

# 8 County Tax Appraisal District Process

- Follow Guidance of the El Paso County Tax Appraisal District
- We can provide a sample application that is from the Texas Comptrollers Office
- Ensure that landlords pass tax savings on to child care providers that rent their facilities
  - Affidavit to the chief appraiser of the local appraisal district
  - The landlord is required to pass the tax savings on to child care providers that rent their facilities
- Other Appraisal Districts Guidelines
  - One time application
  - Property owner have a duty to notify if there is a change





# Spending Perimeters

01

Profit margins for  
child care centers are  
**1-3%**

02

Freedom to place  
spending perimeters  
but, other counties  
are **trusting the  
business to invest as  
they best see fit**

03

Tax authority would  
have the oversight of  
implementation





**JACKIE REZA,  
OWNER**





**Vote yes for our local economy**



**Vote yes for small business owners**



**Vote yes for local families**





# Child Care

## TAX RELIEF

[ChildCareTaxRelief.com](http://ChildCareTaxRelief.com)



Thank you!