



Howard County

Internal Memorandum

Subject: Testimony on Daycare Tax Credit.

To: Brandee Ganz
Chief Administrative Officer

From: Rafiu Ighile [ROI](#)
Director of Finance

Date: August 27, 2026

The purpose of this legislation is to repeal the current credit for day care provider, family day-care homes or group care centers and re-enacting credits for certain day care providers and additional day care credits for large childcare centers consistent with State law authority; and generally relating to property tax credits for real property owned by certain day care providers.

The County currently has over 400 child and adult care providers. This current supply of providers is inadequate to meet the need of our community particularly for our Howard County children from newborn to the age of 3 years old. Furthermore, there continues to be waitlist for before and after care for school aged children. Assuming all current providers would meet eligibility requirements and would qualify for maximum day care tax credit, the annual tax credit support would be approximately \$3.2 million.

Ultimately, these credits will help to keep care services affordable and available for families, strengthen and promote local businesses, and support a more reliable workforce. Most importantly, this investment makes it easier for residents to find the care they need and helps maintain a strong, stable community.