

Employee FAQ: Direct Care Worker Tax Credit

In 2024 Colorado legislation was passed creating a State Income Tax Credit (\$1,200 for single filers and \$2,400 for joint filers) for eligible **direct care** (long-term care) and **childcare** workers for tax years 2025-2028.

Who May Qualify (Direct Care Workers):

- Definition of Direct Care Worker – an individual with the appropriate knowledge, skills, and training who provides hands-on care and services, including personal care, to participants receiving long-term care in Colorado.
- Employees who code their time at Commons, Fountains, LAP, SDB (unless you are a C.N.A) for at least 720 hours during the tax year.
- Employees with an income below \$75,000 (single) or \$100,000 (joint)
- CNAs are specifically excluded from the direct care category for this credit.

How to Claim:

1. Verify Eligibility: Ensure you meet the work hours and income criteria.
2. Complete [Form DR 1217](#)
3. File with Your Return: Submit [Form DR 1217](#) with your Colorado income tax forms (DR 0104/DR 0104CR).

Resources:

State info on the requirement: [Long Term Care Employer Report | Department of Revenue - Taxation](#)

Employer flyer: [Revised 11/13/2025](#)

For more information, please contact the Hilltop Finance Department and consult with your tax expert.