



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2974

by Rep. Anna Moeller

SYNOPSIS AS INTRODUCED:

35 ILCS 5/229 new

Amends the Illinois Income Tax Act. Provides that a taxpayer who is a family caregiver is eligible to receive a nonrefundable income tax credit in an amount equal to 100% of the eligible expenditures incurred by the taxpayer during the taxable year related to the care of an eligible family member, but not exceed \$1,500 for the same eligible family member. Provides that the term "eligible family member" means a person who: (1) is at least 18 years of age during a taxable year; (2) requires assistance with at least one activity of daily living; (3) is a resident of the State; and (4) is related to the family caregiver. Effective immediately.

LRB101 08263 HLH 56283 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by adding
5 Section 229 as follows:

6 (35 ILCS 5/229 new)

7 Sec. 229. Family caregiver tax credit.

8 (a) As used in this Section, the following words shall have
9 the following meanings unless the context clearly requires
10 otherwise:

11 "Activities of daily living" means everyday functions and
12 activities, which individuals usually do without help,
13 including, but not limited to, bathing, continence, dressing,
14 eating, toileting and transferring as certified by a licensed
15 health care provider.

16 "Eligible expenditure" means costs associated with:

17 (1) improvements or alterations to the family
18 caregiver's or eligible family member's principal
19 residence to permit the eligible family member to remain
20 mobile, safe, and independent;

21 (2) the purchase or lease of equipment that is
22 necessary to assist an eligible family member in carrying
23 out one or more activities of daily living; or

1 (3) other goods, services or supports that assist the
2 family caregiver in providing care to an eligible family
3 member, including, but not limited to: expenditures
4 related to hiring a home care aide or personal care
5 attendant, respite care, adult day health, transportation,
6 legal and financial services, and assistive technology to
7 care for their loved one.

8 "Eligible family member" means an individual who:

9 (1) is at least 18 years of age during a taxable year;

10 (2) requires assistance with at least one activity of
11 daily living;

12 (3) is a resident of the State; and

13 (4) qualifies as a dependent, spouse, parent, or other
14 relation by blood, marriage, or civil union, including an
15 in-law, sibling, grandparent, grandchild, step-parent,
16 step-child, aunt, uncle, niece, or nephew of the family
17 caregiver.

18 "Family caregiver" means an unpaid caregiver who (i) is an
19 Illinois resident and taxpayer for the taxable year, (ii) had
20 uncompensated eligible expenditures, as described in
21 subsection (a), with respect to one or more eligible family
22 members during the taxable year, and (iii) had an adjusted
23 gross income of less than \$75,000 for an individual and
24 \$150,000 for spouses filing a joint return. In the case of a
25 joint return, the term "family caregiver" includes the
26 individual and the individual's spouse.

1 (b) For taxable years beginning on or after January 1,
2 2020, a taxpayer who is a family caregiver is eligible to
3 receive a nonrefundable credit against the taxes imposed by
4 subsections (a) and (b) of Section 201 in an amount equal to
5 100% of the eligible expenditures incurred by the taxpayer
6 during the taxable year, subject to the maximum allowable
7 credit under this subsection. No taxpayer shall be entitled to
8 claim a tax credit under this Section for the same eligible
9 expenditures claimed by another taxpayer.

10 The total amount of tax credits claimed by family
11 caregivers shall not exceed \$1,500 for the same eligible family
12 member. If 2 or more family caregivers claim tax credits for
13 the same eligible family member, the total of which exceeds
14 \$1,500, then the total amount of the credit allowed shall be
15 allocated in amounts proportionate to each eligible taxpayer's
16 share of the total amount of the eligible expenditures for the
17 eligible family member. A taxpayer may claim a credit for only
18 one eligible family member per taxable year.

19 A taxpayer may not claim a tax credit under this Section
20 for expenses incurred in carrying out general household
21 maintenance activities, including painting, plumbing,
22 electrical repairs, or exterior maintenance.

23 (c) The Department shall adopt rules for the implementation
24 of this Section.

25 (d) The Department shall annually, no later than November
26 1, file a report with the Governor, the General Assembly, and

1 publish on the Department on Aging and Department of Revenue's
2 websites the total amount of tax credits claimed under this
3 Section and the total number of taxpayers who received the
4 credit for the preceding fiscal year.

5 (e) This Section is exempt from the provisions of Section
6 250.

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.