



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4771

Introduced 1/27/2022, by Rep. Anna Moeller

SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 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 or is an individual whose close association with the family caregiver is the equivalent of a family relationship. Effective immediately.

LRB102 24158 HLH 33384 b

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
5 adding Section 232 as follows:

6 (35 ILCS 5/232 new)

7 Sec. 232. Family caregiver tax credit.

8 (a) As used in this Section, the following words shall
9 have the following meanings unless the context clearly
10 requires 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, or any individual whose close association with
18 the family caregiver is the equivalent of a family
19 relationship.

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

1 joint return, the term "family caregiver" includes the
2 individual and the individual's spouse.

3 (b) For taxable years beginning on or after January 1,
4 2023, a taxpayer who is a family caregiver is eligible to
5 receive a nonrefundable credit against the taxes imposed by
6 subsections (a) and (b) of Section 201 in an amount equal to
7 100% of the eligible expenditures incurred by the taxpayer
8 during the taxable year, subject to the maximum allowable
9 credit under this subsection. No taxpayer shall be entitled to
10 claim a tax credit under this Section for the same eligible
11 expenditures claimed by another taxpayer.

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

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

26 (c) The Department of Revenue and the Department on Aging

1 shall jointly adopt rules for the implementation of this
2 Section.

3 (d) A taxpayer claiming a credit under this Act shall,
4 upon showing proof of eligible expenditures, receive from the
5 Department on Aging a certificate of verification regarding
6 eligibility for the credit under this Section. The taxpayer
7 shall submit to the Department of Revenue a copy of the
8 certificate of verification received for the taxable year.

9 (e) The Department shall annually, no later than November
10 1, file a report with the Governor, the General Assembly, and
11 publish on the Department on Aging and Department of Revenue's
12 websites the total amount of tax credits claimed under this
13 Section and the total number of taxpayers who received the
14 credit for the preceding fiscal year.

15 (f) This Section is exempt from the provisions of Section
16 250.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.