



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB1900

Introduced 1/29/2025, by Rep. Jennifer Sanalitra

SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Creates an income tax credit for caregivers who have uncompensated eligible expenditures in connection with the care of an eligible related person during the taxable year. Provides that "eligible related person" means a person who meets certain age and residency requirements, requires assistance with at least one activity of daily living, and qualifies as a dependent, spouse, parent, or other relation of the primary caregiver or has a close association with the primary caregiver, including as a friend or neighbor. Provides that taxpayers shall apply for the credit to the Department on Aging. Sets forth limitations on the amount of the credit. Effective immediately.

LRB104 03320 HLH 13342 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 246 as follows:

6 (35 ILCS 5/246 new)

7 Sec. 246. Caregiver tax credit.

8 (a) As used in this Section:

9 "Activities of daily living" means everyday functions and
10 activities that individuals usually perform without help,
11 including, but not limited to, bathing, continence, dressing,
12 eating, toileting, and transferring.

13 "Eligible expenditure" means costs associated with:

14 (1) improvements or alterations to the primary
15 caregiver's principal residence that are necessary to
16 permit an eligible related person to remain mobile, safe,
17 and independent;

18 (2) the purchase or lease of equipment that has been
19 certified by a licensed health care provider as necessary
20 to assist an eligible related person in carrying out one
21 or more of the activities of daily living; or

22 (3) other goods, services, or supports that assist the
23 primary caregiver in providing care to an eligible related

1 person, including, but not limited to, expenses associated
2 with:

3 (A) hiring a home care aide or personal care
4 attendant for the eligible related person;

5 (B) providing respite care, adult day health,
6 transportation, or legal or financial services for the
7 eligible related person; or

8 (C) acquiring assistive technology to care for the
9 eligible related person.

10 "Eligible related person" means an individual who, during
11 the taxable year for which the credit is sought:

12 (1) is at least 50 years of age;

13 (2) requires assistance with at least one activity of
14 daily living, as certified by a licensed health care
15 provider;

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

17 (4) qualifies as a dependent, spouse, parent, or other
18 relation of the primary caregiver by blood, marriage, or
19 civil union, including an in-law, sibling, grandparent,
20 grandchild, step-parent, step-child, aunt, uncle, niece,
21 or nephew of the primary caregiver, or has a close
22 association with the primary caregiver, including as a
23 friend or neighbor.

24 "Primary caregiver" means an unpaid caregiver who, during
25 the taxable year for which the credit is sought:

26 (1) is an Illinois resident and taxpayer;

1 (2) has uncompensated eligible expenditures with
2 respect to an eligible related person during the taxable
3 year; and

4 (3) has a federal adjusted gross income of less than
5 \$75,000 for an individual or less than \$150,000 for
6 spouses filing a joint return.

7 (b) For taxable years beginning on or after January 1,
8 2026, each primary caregiver may apply to the Department on
9 Aging to receive a nonrefundable credit against the taxes
10 imposed by subsections (a) and (b) of Section 201. The amount
11 of the credit shall be equal to 100% of the eligible
12 expenditures incurred by the primary caregiver in connection
13 with the care of an eligible related person during the taxable
14 year but shall not exceed \$500 for any primary caregiver in any
15 taxable year.

16 In the case of spouses filing a joint return, the
17 individual and the individual's spouse shall be treated as a
18 single caregiver for the purposes of this Section.

19 (c) In no event shall a credit under this Section reduce a
20 taxpayer's liability to less than zero. If the amount of
21 credit exceeds the tax liability for the year, the excess may
22 be carried forward and applied to the tax liability for the 5
23 taxable years following the excess credit year. The tax credit
24 shall be applied to the earliest year for which there is a tax
25 liability. If there are credits for more than one year that are
26 available to offset liability, the earlier credit shall be

1 applied first.

2 (d) A taxpayer may claim a credit under this Section for
3 only one eligible related person in any taxable year. Each
4 eligible expenditure may be claimed by only one primary
5 caregiver. A taxpayer may not claim a tax credit under this
6 Section for expenses incurred in carrying out general
7 household maintenance activities such as painting, plumbing,
8 electrical repairs, or exterior maintenance, unless those
9 maintenance activities are necessary to permit the eligible
10 related person to remain mobile, safe, and independent.

11 (e) To claim the credit under this Section, the taxpayer
12 must apply to the Department on Aging for a certificate of
13 credit in the form and manner required by the Department on
14 Aging by rule. If granted, the taxpayer shall attach a copy of
15 the certificate of credit to his or her Illinois income tax
16 return for the taxable year. The aggregate amount of tax
17 credits awarded by the Department on Aging under this Section
18 in any calendar year may not exceed \$1,000,000. Credits shall
19 be awarded on a first-come, first-served basis.

20 (f) The Department on Aging shall adopt rules for the
21 implementation of this Section.

22 (g) By November 1, 2030, the Department of Revenue shall
23 file a report with the Governor and the General Assembly and
24 publish on its website the total amount of tax credits claimed
25 under this Section and the total number of taxpayers who
26 received the credit for each fiscal year.

1 (h) This Section is exempt from the provisions of Section
2 250.

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.