

HB1376



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB1376

Introduced 1/31/2023, by Rep. Anna Moeller

SYNOPSIS AS INTRODUCED:

35 ILCS 5/234 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, subject to specified limits. Effective immediately.

LRB103 04782 HLH 49792 b

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
5 adding Section 234 as follows:

6 (35 ILCS 5/234 new)

7 Sec. 234. Family 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 family
15 caregiver's or eligible family member's principal
16 residence to permit the eligible family member to remain
17 mobile, safe, 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 family member in carrying out one or
21 more activities of daily living; or

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

1 member, including, but not limited to, expenditures
2 related to hiring a home care aide or personal care
3 attendant, respite care, adult day health, transportation,
4 legal and financial services, and assistive technology to
5 care for their eligible family member.

6 "Eligible family member" means an individual who during
7 the taxable year for which the credit is sought:

8 (1) is at least 18 years of age;

9 (2) requires assistance with at least one activity of
10 daily living as certified by a licensed health care
11 provider;

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, during
21 the taxable year for which the credit is sought:

22 (1) is an Illinois resident and taxpayer;

23 (2) had uncompensated eligible expenditures, as
24 described in subsection (a), with respect to one or more
25 eligible family members during the taxable year; and

26 (3) had an adjusted gross income of less than \$75,000

1 for an individual and \$150,000 for spouses filing a joint
2 return; in the case of a joint return, the term "family
3 caregiver" includes the individual and the individual's
4 spouse.

5 (b) For taxable years beginning on or after January 1,
6 2024, a taxpayer who is a family caregiver is eligible to
7 receive a nonrefundable credit against the taxes imposed by
8 subsections (a) and (b) of Section 201 in an amount equal to
9 100% of the eligible expenditures incurred by the taxpayer
10 during the taxable year, subject to the maximum allowable
11 credit under this subsection. No taxpayer shall be entitled to
12 claim a tax credit under this Section for the same eligible
13 expenditures claimed by another taxpayer.

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

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

1 (c) Department on Aging shall adopt rules for the
2 implementation of this 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) By November 1, 2025 and each November 1 thereafter the
10 Department of Revenue shall file a report with the Governor
11 and the General Assembly and publish on its website the total
12 amount of tax credits claimed under this Section and the total
13 number of taxpayers who received the credit for the preceding
14 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.