

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 442

S.P. 144

In Senate, February 7, 2017

An Act To Create a Family Caregiver Income Tax Credit

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator DAVIS of Piscataquis.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 36 MRSA §5219-OO** is enacted to read:

3 **§5219-OO. Family caregiver credit**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
5 following terms have the following meanings.

6 A. "Activities of daily living" has the same meaning as under Title 22, section 7302,
7 subsection 1-A.

8 B. "Eligible expenditures" means expenditures made for:

9 (1) An improvement of or alteration to a family caregiver's primary residence to
10 permit an eligible family member to remain mobile, safe and independent;

11 (2) A purchase or lease of equipment that is necessary to assist an eligible family
12 member in carrying out one or more activities of daily living; and

13 (3) Other goods, services or supports that assist a family caregiver to provide
14 care to an eligible family member, such as expenditures related to hiring a home
15 care aide or personal care attendant, respite care, adult day care and
16 transportation and for assistive technology.

17 "Eligible expenditure" does not include general household maintenance activities,
18 including painting, plumbing, electrical repairs or exterior maintenance.

19 C. "Eligible family member" means an individual who:

20 (1) Is 18 years of age or older during the taxable year;

21 (2) Requires assistance with at least one activity of daily living as certified by an
22 individual licensed as a health care provider under Title 32, chapter 31,
23 subchapter 3 or 4; Title 32, chapter 36, subchapter 4; or Title 32, chapter 48,
24 subchapter 2; and

25 (3) Is a dependent, spouse, registered domestic partner, parent, sibling or other
26 relation by blood or marriage, including a grandparent, grandchild, stepparent,
27 aunt, uncle, niece or nephew, of the family caregiver or a registered domestic
28 partner of the family caregiver.

29 D. "Family caregiver" means an individual who:

30 (1) Provides care for one or more eligible family members;

31 (2) As a single individual or married person filing separately, has a federal
32 adjusted gross income of less than \$75,000; or, as an individual filing as a head
33 of household or as an individual filing a married joint return or as a surviving
34 spouse, has a federal adjusted gross income of less than \$150,000; and

35 (3) Makes uncompensated eligible expenditures directly related to the care of an
36 eligible family member.

1 E. "Registered domestic partner" has the same meaning as under Title 18-A, section
2 1-201, subsection (36-A).

3 **2. Credit allowed.** For tax years beginning on or after January 1, 2018, a family
4 caregiver is allowed a credit against the taxes due under this Part equal to the amount of
5 uncompensated eligible expenditures incurred during the taxable year up to a maximum
6 of \$2,500.

7 SUMMARY

8 This bill provides an income tax credit for certain eligible expenditures incurred by a
9 family caregiver for the care and support of an eligible family member 18 years of age or
10 older. Eligible expenditures include the improvement of or alteration to the caregiver's
11 primary residence to permit the eligible family member to remain mobile, safe and
12 independent in the home and community; the caregiver's purchase or lease of equipment
13 necessary to assist the eligible family member in carrying out one or more activities of
14 daily living; and costs incurred to assist the caregiver to provide care to an eligible family
15 member, such as expenditures related to hiring a home care aide, respite care, adult day
16 care and transportation and for technology to assist the family caregiver to care for the
17 eligible family member.

18 To be eligible for the tax credit, a family caregiver claiming the credit must have a
19 federal adjusted gross income of less than \$75,000 if the family caregiver is filing as a
20 single individual or as a married person filing separately and \$150,000 if the family
21 caregiver is filing as a head of household or is filing a married joint return.

22 An eligible family member must require assistance with at least one activity of daily
23 living, as certified by a qualified licensed health care practitioner, and qualify as a
24 dependent of, spouse of, registered domestic partner of, parent of or other relation by
25 blood or marriage to the family caregiver or a registered domestic partner of the family
26 caregiver.

27 The amount of the credit is equal to the eligible expenditures incurred by the eligible
28 caregiver during the taxable year up to a maximum of \$2,500.