



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB4363

Introduced 1/29/2020, 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 \$750 for the same eligible family member. Provides that the term "eligible family member" means a person who: (1) is at least 50 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 18311 HLH 67757 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 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 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 50 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 2021, 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 and verified by the Department on
7 Aging, subject to the maximum allowable credit under this
8 subsection. No taxpayer shall be entitled to claim a tax credit
9 under this Section for the same eligible expenditures claimed
10 by another taxpayer.

11 The total amount of tax credits claimed by family
12 caregivers shall not exceed \$750 for the same eligible family
13 member. If 2 or more family caregivers claim tax credits for
14 the same eligible family member, the total of which exceeds
15 \$750, then the total amount of the credit allowed shall be
16 allocated in amounts proportionate to each eligible taxpayer's
17 share of the total amount of the eligible expenditures for the
18 eligible family member. A taxpayer may claim a credit for only
19 one eligible family member per taxable year.

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

24 (c) The Department of Revenue and the Department on Aging
25 shall jointly adopt rules for the implementation of this
26 Section.

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

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

14 (e) This Section is exempt from the provisions of Section
15 250.

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