

HB4676



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4676

Introduced 2/6/2024, by Rep. Anna Moeller

SYNOPSIS AS INTRODUCED:

35 ILCS 5/241 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 35190 HLH 65164 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 241 as follows:

6 (35 ILCS 5/241 new)

7 Sec. 241. 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 for the eligible family member; providing
4 respite care, adult day health, transportation, or legal
5 or financial services for the eligible family member; and
6 acquiring assistive technology to care for the eligible
7 family member.

8 "Eligible family member" means an individual who, during
9 the taxable year for which the credit is sought:

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

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

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

15 (4) qualifies as a dependent, spouse, parent, or other
16 relation by blood, marriage, or civil union, including an
17 in-law, sibling, grandparent, grandchild, step-parent,
18 step-child, aunt, uncle, niece, or nephew of the family
19 caregiver, or any individual whose close association with
20 the family caregiver is the equivalent of a family
21 relationship.

22 "Family caregiver" means an unpaid caregiver who, during
23 the taxable year for which the credit is sought:

24 (1) is an Illinois resident and taxpayer;

25 (2) had uncompensated eligible expenditures, as
26 described in subsection (a), with respect to one or more

1 eligible family members during the taxable year; and

2 (3) had an adjusted gross income of less than \$75,000
3 for an individual and \$150,000 for spouses filing a joint
4 return; in the case of a joint return, the term "family
5 caregiver" includes the individual and the individual's
6 spouse.

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

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

25 A taxpayer may not claim a tax credit under this Section
26 for expenses incurred in carrying out general household

1 maintenance activities, such as painting, plumbing, electrical
2 repairs, or exterior maintenance.

3 (c) The Department on Aging shall adopt rules for the
4 implementation of this Section.

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

11 (e) By November 1, 2026 and each November 1 thereafter,
12 the Department of Revenue shall file a report with the
13 Governor and the General Assembly and publish on its website
14 the total amount of tax credits claimed under this Section and
15 the total number of taxpayers who received the credit for the
16 preceding fiscal year.

17 (f) This Section is exempt from the provisions of Section
18 250.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.