

HOUSE No. 2871

The Commonwealth of Massachusetts

PRESENTED BY:

David Paul Linsky

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing the family caregiver tax credit.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>David Paul Linsky</i>	<i>5th Middlesex</i>	<i>1/19/2023</i>

HOUSE No. 2871

By Representative Linsky of Natick, a petition (accompanied by bill, House, No. 2871) of David Paul Linsky relative to establishing a family caregiver tax credit. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2979 OF 2021-2022.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act establishing the family caregiver tax credit.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 62 of the General Laws is hereby amended by inserting after
2 section 6N the following section:

3 Section 6O

4 (a) As used in this section, the following words shall have the following meanings

5 “Activities of daily living”, Everyday functions and activities individuals usually do
6 without help. ADL functions include bathing, continence, dressing, eating, toileting and
7 transferring.

8 “Eligible family member”, means an individual who is at least 18 years of age during a
9 taxable year; requires assistance with at least one activity of daily living (ADL); is an individual

10 who qualifies as a dependent, spouse, parent or other relation by blood or marriage, including an
11 in-law, grandparent, grandchild, step-parent, aunt, uncle, niece, or nephew of the family
12 caregiver.

13 “State tax liability”, means an individual who is a resident taxpayer for the taxable year,
14 as defined in Section 1 of Chapter 62 of the General Laws. In the case of a joint return, the term
15 includes the individual and the individual’s spouse. The family caregiver claiming the credit
16 must have a federal adjusted gross income of less than \$75,000 for an individual and \$150,000
17 for a couple, and incur uncompensated expenses directly related to the care of an eligible care
18 recipient. In addition, the family caregiver must provide care to 1 or more eligible care recipients
19 during the taxable year, and be eligible to receive a credit against the family caregiver’s state tax
20 liability for the taxable year.

21 (b) The total amount of the tax credit that a taxpayer described in subsection (a) of this
22 Act is eligible to receive for a taxable year is equal to a credit equal to 50% of the eligible
23 expenses incurred by the taxpayer during the taxable year, with a maximum allowable credit of
24 \$3,000. A taxpayer is not entitled to a refund, carryback, or carryforward of any credit under this
25 Act. To obtain a tax credit under this chapter, a tax payer must claim the tax credit in the manner
26 prescribed by the state.

27 (c) Expenditures eligible to be claimed for the tax credit include:

28 (1) The improvement or alteration to the family caregiver’s primary residence to permit
29 the care recipient to remain mobile, safe, and independent;

30 (2) The purchase or lease of equipment that is necessary to assist an eligible care
31 recipient in carrying out one or more activities of daily living;

32 (3) Other goods, services, or supports that assist the family caregiver provide care to an
33 eligible care recipient, such as expenditures relayed to hiring a home care aide or personal care
34 attendant, respite care, adult day health, transportation, legal and financial services, and for
35 assistive technology to care for their loved one.

36 (d) Only 1 taxpayer may claim a tax credit in a taxable year for the eligible family
37 members under this Act for expenses described in Section (c). If 2 or more qualified taxpayers
38 claim a credit in accordance with subsection Sec. 4 of this section for the same qualifying family
39 member, the total amount of the credit allowed shall be allocated in equal amounts between or
40 among each of the qualified taxpayers.

41 (e) A taxpayer may not claim a tax credit under this chapter for expenses incurred in
42 carrying out general household maintenance activities, including painting, plumbing, electrical
43 repairs, or exterior maintenance, and must be directly related to assisting the family caregiver in
44 providing care to an eligible care recipient.

45 (f) The commissioner of the department of revenue shall promulgate rules and regulations
46 relative to the administration and enforcement of this section.

47 SECTION 2. This act shall take effect upon its passage and apply to taxable years
48 beginning on or after January 1, 2024, following the date of enactment.