



2009 Legislative Summary Sheet:

Bills Related to Dependent Care Tax Assistance Recently Introduced into State Legislatures

This legislative summary sheet was developed to give an overview of the policy and legislation related to dependent care. Statutes and bills can be reviewed individually, but often it is useful to view them in "themes" or "clusters" to:

- Highlight legislative activity in one particular state
Make it easier to compare legislation between states
Illustrate varying legislation language and content

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Tax assistance for elder care expenses

Connecticut

- SB 16 (Introduced 2/9/2009) Provides a personal income tax deduction for expenses relating to the care of a senior citizen by an immediate relative in the relative's home.

Georgia

- HB 269 (Introduced 2/3/2009) Revises and changes the tax credit for qualified care-giving expenses for family members 62 years of age or older; repeals conflicting laws.

Hawaii

- SB 197 (Introduced 1/23/2009) Provides a tax credit to a caregiver who cares for a qualified elder care recipient.

Illinois

- HB 3778 (Introduced 2/25/2009) Amends the Illinois Income Tax Act; authorizes a credit to each individual taxpayer for providing care for a parent who lived in the taxpayer's home for 180 days or more during the tax year equal to \$1,000 for each parent.

Indiana

- HB 1429 (Introduced 1/13/2009) Provides an income tax credit against a resident individual's state adjusted gross income tax for certain parent care expenses; specifies that the credit is 100% of the parent care expenses, the taxpayer's income tax liability, or \$5,000, whichever is least.



Massachusetts

- HB 2677 (Introduced 1/19/2009)
Provides an income tax credit for families caring for relatives at home who are elderly or victims of Alzheimer's disease.
- HB 2750 (Introduced 1/19/2009)
Offers tax relief to working families caring for elderly relatives at home.
- SD 275 (Introduced 1/7/2009)
Provides an income tax exemption for certain individuals caring for elderly relatives.
- SD 811 (Introduced 1/7/2009)
Provides an income tax exemption for families caring for elderly at homes.

Michigan

- HB 4036 (Introduced 1/22/2009)
- SB 139 (Introduced 1/29/2009)
Provides for an income tax additional exemption for caring of senior citizen in home.

Minnesota

- SB 1299 (Introduced 3/9/2009)
Relates to human services; establishes a home care tax credit for personal care assistance; amends the long-term consultation team; establishes a caregiver burden scale.

Missouri

- SB 146 (Introduced 1/5/2009)
Relates to tax relief for persons assisting seniors or disabled citizens.

Nebraska

- LB 376 (Introduced 1/16/2009)
Provides an income tax credit for certain qualified residents caring for dependents in the home who are at least 65 years of age, have physical, mental or emotional conditions and whose income does not exceed a specified amount.

New York

- AB 2656 (Introduced 1/21/2009)
- SB 1574 (Introduced 2/3/2009)
Establishes the "caregiver's assistance act"; allows a personal income tax credit equal to twenty percent of qualified care expenses that are paid by the taxpayer for the care of a qualifying senior family member.
- AB 2682 (Introduced 1/21/2009)
Creates an informal caregiver credit for taxpayers caring for seniors and disabled persons.
- AB 2902 (Introduced 1/21/2009)
Provides a resident personal income tax exemption to individuals caring for elderly dependents over the age of 62 who reside with such individuals and who are entitled to an exemption for federal income tax purposes.
- AB 4383 (Introduced 2/3/2009)
Provides a resident taxpayer an additional personal income tax exemption for each dependent residing with the taxpayer who is 65 years of age or older.



- AB 5070 (Introduced 2/10/2009)
Provides an additional personal income tax exemption for each dependent parent or grandparent residing in the taxpayer's household who is at least 62 years of age and who resides with the taxpayer at least 180 days per year.
- AB 5114 (Introduced 2/10/2009)
Establishes an additional \$10,000 personal income tax exemption for resident taxpayers who have a 65 year old or older dependent parent or grandparent living with them; establishes another such exemption when the resident taxpayer has a dependent, terminally ill child, parent, or grandparent living with them.
- AB 6217 (Introduced 2/26/2009)
Provides a resident taxpayer an additional personal income tax exemption of \$750 for each dependent who is 65 years of age or older and who is residing with the taxpayer; also requires the office for the aging to report the effects of such additional tax exemption on programs offered under the auspices of the office for the aging.
- AB 6624 (Introduced 3/6/2009)
- SB 2508 (Introduced 2/23/2009)
Provides an additional personal income tax exemption for an individual taxpayer who provides more than one-half of the support for a parent, stepparent, immediate family member or sibling who is 70 years of age or over and who resides with the taxpayer.
- SB 2156 (Introduced 2/12/2009)
Establishes an elder tax credit for taxpayers providing elder care and corporations providing elder care for their employees.



Tax assistance for child care expenses

Arkansas

- HB 2010 (Introduced 3/6/2009)
Establishes an income tax credit for the educational expenses of dependents.

Illinois

- HB 4192 (Introduced 2/27/2009)
Amends the Illinois Income Tax Act; authorizes a credit to each individual taxpayer for qualified child and dependent care expenditures incurred while the taxpayer is a member of the United States Armed Services, including the Illinois National Guard or any reserve component of the Armed Forces of the United States, and is mobilized to active duty and deployed outside Illinois.
- HB 4204 (Introduced 2/27/2009)
Amends the Illinois Income Tax Act; creates a tax credit for a taxpayer who: is allowed the federal Child and Dependent Care Credit; and is a member or spouse of a member of the Armed Forces of the United States, the Illinois National Guard, or any reserve component of the Armed Forces of the United States, who was deployed during the taxable year on active military duty outside the United States and its territories



Indiana

- HB 1025 (Introduced 1/7/2009)
Provides a refundable income tax credit to individuals for certain household, child care, or dependent care expenses associated with an individual's gainful employment; provides that the amount of the credit is 50% of the amount allowed for the federal child and dependent care credit; provides that an individual whose federal adjusted gross income exceeds \$45,000 is not eligible for the credit.

Iowa

- SB 468 (Introduced 4/1/2009)
- HB 807 (Introduced 3/30/2009)
Changes the income eligibility limit for the early childhood development tax credit from \$45,000 to \$50,000 and indexes the limit to inflation.

Louisiana

- HB 46 (Introduced 3/13/2009)
Authorizes an income tax deduction for tuition for enrollment in certain early childhood development and enrichment activity classes.
- HB 77 (Introduced 3/23/2009)
Provides for inflation indexing of individual income tax brackets, personal exemption, standard deduction, and deductions for the blind, aged, or dependents.

Massachusetts

- HB 2748 (Introduced 1/19/2009)
Provides a tax credit of \$2,000 if the taxpayer has provided more than one-half of the support for any offspring under the age of eighteen, provided that the child relative resided with the taxpayer for more than six months; provides a refund if taxes due equal zero.

Minnesota

- HB 276 (Introduced 1/26/2009)
- SB 653 (Introduced 2/12/2009)
Relates to taxation; individual income; modifies the dependent care credit.

Missouri

- HB 545 (Introduced 2/2/2009)
Increases the deductions for personal and dependency exemptions.
- HB 646 (Introduced 2/9/2009)
Increases the Missouri dependency exemption from \$1,200 to \$2,000 dollars.

New Mexico

- HB 344 (Introduced 1/26/2009)
Relates to taxation; expands and modifying the credit for expenses for dependent child day care.

New York

- AB 1352 (Introduced 1/7/2009)



Establishes a child care tax credit; applicable to child care expenses for children under thirteen years of age or who are disabled.

■ AB 5583 (Introduced 2/13/2009)

Allows tax deduction up to \$10,000 on personal income for certain child care; allows deduction to parent of pre-school child.

■ SB 1003 (Introduced 1/22/2009)

Increases the child and dependent care credit in computing personal income tax liability from 20% to 50% of the allowable federal child and dependent care tax credit.

Oregon

■ HB 3469 (Introduced 4/1/2009)

Establishes personal income tax credit of \$500 per dependent child.

Pennsylvania

■ SB 176 (Introduced 2/2/2009)

Amends the Tax Reform Code of 1971. Provides for a child care tax credit.

West Virginia

■ SB 380 (Introduced 2/25/2009)

Provides earned income tax credit to certain parents.



Tax assistance for the care of a disabled family member

Arkansas

■ HB 1045 (Introduced 1/6/2009)

Clarifies the definition of a disability required to qualify for an income tax credit for supporting a child with a disability.

■ SB 323 (Introduced 2/9/2009)

Includes a definition of developmental disability in the state income tax law concerning the income tax credit for supporting a child with a developmental disability.

Minnesota

■ SB 1299 (Introduced 3/9/2009)

Relates to human services; establishes a home care tax credit for personal care assistance; amends the long-term consultation team; establishes a caregiver burden scale.

Mississippi

■ SB 2125 (Introduced 1/6/2009)

Relates to income tax credit; authorizes for taxpayers who maintain, support and care for a dependent with a diagnosis of developmental disability.



Missouri

- SB 323 (Introduced 1/20/2009)
Changes the income tax credits available to certain individuals for the costs of modifications to a home in order for it to be accessible for a disabled person who resides with them.

New York

- AB 1352 (Introduced 1/7/2009)
Establishes a child care tax credit; applicable to child care expenses for children under thirteen years of age or who are disabled.
- AB 3595 (Introduced 1/27/2009)
- SB 510 (Introduced 1/7/2009)
Provides for a tax credit for a certain amount of money expended on the care of a qualifying disabled child.
- AB 4546 (Introduced 2/4/2009)
Provides for a tax credit for expenses of parents made for their children as a result of the child having the disease of autism.
- AB 4624 (Introduced 2/5/2009)
Provides a tax credit for work related expenses of parents who work at home and have autistic children.
- AB 5114 (Introduced 2/10/2009)
Establishes an additional \$10,000 personal income tax exemption for resident taxpayers who have a 65 year old or older dependent parent or grandparent living with them; establishes another such exemption when the resident taxpayer has a dependent, terminally ill child, parent, or grandparent living with them.

Utah

- HB 184 (Introduced 2/7/2009)
Amends the Nonrefundable Tax Credit Act to allow a tax credit for a dependent adult with a disability or dependent child with a disability as part of the taxpayer tax credit.



Employer supported dependent care

New York

- SB 3951 (Introduced 4/7/2009)
Provides employers with a tax credit in an amount not to exceed 20% of expenses incurred in providing day care services to the children and wards of its employees and in training persons employed by the taxpayer or a third party provider rendering such services.
- AB 4597 (Introduced 2/5/2009)
Provides employers with a tax credit for expenditures to provide dependent care to adult dependents of employees; also provides such a credit for employees or other taxpayers, to the extent not covered by the employer.
- SB 2156 (Introduced 2/12/2009)
Establishes an elder tax credit for taxpayers providing elder care and corporations providing elder care for their employees.



Creates new programs

Minnesota

- SB 2120 (Introduced 4/27/2009)
- HB 2352 (Introduced 4/25/2009)

Relates to employment; enables low-income workers to meet basic needs; provides child care assistance to low-income workers; increases working family credit; increases minimum wage.

The Network has compiled a Work-Family Bills and Statutes Database to help provide an overview of the bills that have been proposed and the laws that have been passed in various states that are relevant to work-family issues. This Database includes bills and statutes related to **dependent care** that have been proposed in previous and current legislative sessions. You can connect to this database at: <http://wfnetwork.bc.edu/bills.php?area=policy>