Credit for Caring Act (S.925/H.R.2036)

Sponsors: Senators Shelley Moore Capito and Michael Bennet, Representatives Mike Carey and Linda Sánchez.

1 in 4 adults are family caregivers.
Family caregivers are the backbone of the U.S. care system. They provide billions of hours every year in unpaid labor. Family caregivers also help save taxpayers by helping keep people in their homes and out of nursing homes.

Cost of Family Caregiving
78% of family caregivers spend on average over $7,200 each year on care-related expenses. This is about 25% of their income.

Almost half of family caregivers had at least one problem with money, such as:

- not saving money or using up their savings
- taking on more debt
- leaving bills unpaid or paying them late
- borrowing money from family and friends
- struggling to afford basics like food

Family caregiving often requires people with jobs to quit their jobs or work less hours. This means caregivers may lose income and benefits, can't save for retirement, and may not be promoted in the workplace. Hispanic/Latino and African American caregivers are more likely to have difficulty paying their bills or paying for basic living expenses.

The Credit for Caring Act Can Help
The Credit for Caring Act provides a tax credit to help working family caregivers afford the cost of caregiving such as:

- a home care aide
- adult day services
- home modifications
- assistive technology
- respite care
- transportation
- other supports

Family caregivers may receive the tax credit if the person they care for meets certain requirements certified by a licensed healthcare professional. Caregivers also must work and keep records of qualified expenses.

For expenses covered by the caregiver, the tax credit amount is 30% of the cost between $2,000 and $5,000 dollars. People with higher incomes do not qualify for the tax credit. The bill only allows people to use one tax credit that covers the cost of caregiving.

This would especially help family caregivers who care for non-dependents, such as a parent or spouse, or who do not live with the person they help.

84% of voters support a federal tax credit for working family caregivers.