

# **Aging Committee JOINT FAVORABLE REPORT**

**Bill No.:** HB-7007

AN ACT PROVIDING AN INCOME TAX DEDUCTION FOR INDIVIDUALS

**Title:** CARING FOR ELDERLY PERSONS, CHILDREN OR DISABLED PERSONS.

**Vote Date:** 3/4/2025

**Vote Action:** Joint Favorable Change of Reference to Finance, Revenue and Bonding

**PH Date:** 2/28/2025

**File No.:**

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## **SPONSORS OF BILL:**

Aging Committee

## **REASONS FOR BILL:**

This legislation would provide an income tax deduction for people who are caring for elderly, children under 13 years of age, or disabled persons. Caring for the elderly, children, and disabled persons can be very costly on top of being a huge time commitment. The legislature wants to recognize the service that these caregivers provide by supporting them financially in the form of tax deductions for money spent on their care. Additionally, it is beneficial to everyone the longer people can be cared for at home instead of at some type of nursing facility, which this bill seeks to promote.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

None Submitted

## **NATURE AND SOURCES OF SUPPORT:**

**AARP Connecticut, Ms. Natalie Shurtleff, Associate State Director:** They are in **support** of the proposal but ask that a different approach to providing caregivers with this financial relief. As written this bill includes a tax deduction. AARP urges that the bill be amended to change the language to a tax credit. While the deduction would provide a financial benefit to caregivers with a high out-of-pocket spending it would provide a much smaller benefit than a tax credit for those whose spending was closer to the average out-of-pocket expense. They provided antidotal evidence and charts to indicate why a tax credit rather than a tax deduction would be a fairer for most caregivers. They have provided model language for a strong

caregiver tax credit bill, and they encourage the committee to amend this bill to reflect their suggested language.

**Home Care Association of America Connecticut, Ms. Marlene Chickerella,**

**Chairperson:** They are in **support** of this legislation if the deductions apply to fulltime home care costs, including medical supplies and in-home services provided by homemaker-companion agencies as well as home health care agency providers. They believe that home care agencies provide non-medical services to seniors and disabled that should also qualify for an income tax deduction. They don't feel that there is a policy reason for not including the costs of medical home supplies and in home-services in the care that would be eligible. By providing a tax deduction to non-medical in – home caregivers the state would be recognizing the value of the service, encourage greater participation, and provide necessary tax relief to families who are paying for the service.

**Alzheimer's Association, Ms. Christy Kovel, Director of Public Policy:** They are in **support** of this bill and point out that in 2021, dementia caregivers spent \$12,388 in out-of-pocket costs on behalf of the person with dementia and due to this financial strain, many families had to cut back on savings and other spending. They understand that the AARP has provided model language for a strong caregiver tax credit bill and they ask the committee to amend the bill as suggested.

**Ms. Bernadette Perez:** She offered her comments in **support** of this bill, suggesting that it be amended to be a tax credit rather than a tax deduction. She also provided her own evidence about the impact her illness has had on her caregiver and their finances.

**Ms. Karen Haraghey:** She submitted her thoughts on this bill and her **support**. She also recommended the AARP proposal that it be changed to a tax credit rather than a tax deduction. She provided antidotal details about how the cost of being a caregiver has impacted her own situation.

**Ms. Betty Bajek:** She thanks the committee for raising this bill that will address the needs of family caregivers and urges the committee to support AARP's suggestion for improving the language of the legislation. She included her own experiences as a caregiver to her family.

**Ms. Barbara Munck, AARP Volunteer:** Her comments are in **support** of this bill and included details of her own personal experiences as a caregiver. She would like the committee to support AARP Connecticut's suggested changes that would improve the bill by using a tax credit rather than a tax deduction.

**NATURE AND SOURCES OF OPPOSITION:**

None Submitted.

**Reported by: Richard Ferrari, Assistant Clerk  
Alexander Mercier, Clerk**

**Date: 3/6/2025**