

Governor's Task Force on Caregiving

Family Caregiver Tax Credit Proposal (Sept. 2020)

(Find complete Task Force Report and all recommendations [here](#).)

The Wisconsin Credit for Caring Act: Based on 2019-20 WI State Legislative Session [Senate Bill 126](#)/Assembly Bill B126

Create a nonrefundable individual income tax credit for qualified expenses incurred by a family caregiver to assist a qualified family member.

Include the following provisions on the proposed legislation referenced above:

- To qualify, a family member must be at least 18 years of age and must require assistance with one or more daily living activities as certified by a physician and must be the claimant's spouse or related to the claimant.
- Subject to a number of limitations, a claimant may claim 50% of the costs of qualified expenses the claimant paid for in the year to which the claim relates. Qualified expenses include amounts spent to improve the claimant's primary residence to assist the family member, equipment to help the family member with daily living activities and obtaining other goods or services to help the claimant care for the family member.
- The maximum amount of credit that may be claimed each year for a particular family member is \$1,000 or \$500 if married spouses file separately. If more than one claimant may file a claim related to that family member, the amount of credit each may claim is based on the percentage of the family member's Flexible FMLA for caregivers can make the difference between maintaining employment or losing it because of the care needs of loved ones. Governor's Task Force on Caregiving Report 11 qualified expenses for which each claimant paid during the year. No credit may be claimed by a claimant whose Wisconsin adjusted gross income in the year to which the claim relates exceeds \$75,000 if the claimant is single or is married and files separately, or \$150,000 if the claimant is married and files jointly.

Estimated cost: Approximately \$125 million (lost revenue) annually