

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

HOUSE BILL 1815

5 By: Representative K. Ferguson  
6

## For An Act To Be Entitled

8 AN ACT TO CREATE AN INCOME TAX CREDIT FOR FAMILY  
9 CAREGIVERS; AND FOR OTHER PURPOSES.  
10

## Subtitle

11 TO CREATE AN INCOME TAX CREDIT FOR FAMILY  
12 CAREGIVERS.  
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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19 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is  
20 amended to add an additional section to read as follows:

21 26-51-517. Family caregiver expenses.

22 (a) As used in this section:

23 (1) "Activity of daily living" means without limitation:

24 (A) Ambulating;

25 (B) Transferring;

26 (C) Eating;

27 (D) Bathing;

28 (E) Dressing;

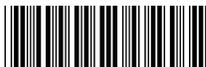
29 (F) Grooming; and

30 (G) Toileting;

31 (2)(A) "Eligible expenses" means expenses incurred by a family  
32 caregiver that are directly related to assisting the family caregiver in  
33 providing care to an eligible family member.

34 (B) "Eligible expenses" includes without limitation:

35 (i) The improvement or alteration to a family  
36 caregiver's primary residence to permit an eligible family member to remain



1 mobile, safe, and independent;

2 (ii) The purchase or lease of equipment that is  
 3 necessary to assist an eligible family member in carrying out one (1) or more  
 4 activities of daily living; and

5 (iii) Other goods, services, or supports that assist  
 6 a family caregiver in providing care to an eligible family member, including  
 7 without limitation expenditures related to hiring a home care aide or  
 8 personal care attendant, providing respite care, attending adult day care,  
 9 providing transportation, obtaining legal and financial services, and  
 10 obtaining assistive technology.

11 (C) "Eligible expenses" does not include expenses incurred  
 12 in carrying out general household maintenance activities, including without  
 13 limitation painting, plumbing, electrical repairs, and exterior maintenance;

14 (3) "Eligible family member" means an individual who:

15 (A) Is at least eighteen (18) years of age during the tax  
 16 year;

17 (B) Requires assistance with at least one (1) activity of  
 18 daily living, as certified by a healthcare practitioner licensed under § 17-  
 19 95-401 et seq.; and

20 (C) Is a dependent, spouse, parent, or other relation by  
 21 blood or marriage, including without limitation an in-law, grandparent,  
 22 grandchild, stepparent, aunt, uncle, niece, or nephew, of a family caregiver  
 23 during the tax year; and

24 (4) "Family caregiver" means an individual who:

25 (A) Is a resident taxpayer under this chapter for the tax  
 26 year, including in the case of taxpayers filing a joint return, both the  
 27 individual and the individual's spouse;

28 (B) Has an adjusted gross income of less than seventy-five  
 29 thousand dollars (\$75,000) for an individual and one hundred fifty thousand  
 30 dollars (\$150,000) for a married couple;

31 (C) Provides care to one (1) or more eligible family  
 32 members during the tax year; and

33 (D) Incurs uncompensated expenses directly related to the  
 34 care of an eligible family member.

35 (b)(1) There is allowed an income tax credit against the income tax  
 36 imposed by this chapter in the amount equal to the lesser of fifty percent

1 (50%) of a taxpayer's eligible expenses during the tax year or one thousand  
2 dollars (\$1,000).

3 (2) If two (2) or more taxpayers claim the income tax credit  
4 allowed under this section for the same eligible family member, the total  
5 amount of the income tax credit allowed under this section shall be allocated  
6 in equal amounts among the taxpayers.

7 (c) The amount of the income tax credit under this section that may be  
8 claimed by the taxpayer in a tax year shall not exceed the amount of income  
9 tax due by the taxpayer.

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11 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax  
12 years beginning on or after January 1, 2024.

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