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Ohio Senate 3rd District

Sponsor Testimony on Senate Bill 205 – Kinship Care Act

Chair Blessing, Vice Chair Roegner, Ranking Member DeMora, and members of the Senate Ways and Means Committee, thank you for the opportunity to provide sponsor testimony on Senate Bill 205: The Kinship Care Tax Credit.

Too many Ohio families are having to provide unpaid care to loved ones (parents, grandparents, spouses or adult children) while juggling employment, household responsibilities, and the financial strain that caregiving involves. Financial impacts of caregiving are often hidden; many caregivers face lost wages, reduced retirement savings, out-of-pocket costs, and diminished economic security.

Senate Bill 205 will fill that gap by creating a non-refundable income tax credit to help cover family caregiving expenses. By doing so, Ohio will stand alongside families as they support each other.

The credit applies to caregiving-related costs such as mobility and safety improvements to a caregiver's or care recipient's home or vehicle. It includes the purchase or lease of assistive technology designed to help with daily activities, as well as costs for respite care, adult day care, or the hiring of home care aides or other direct care workers. Additionally, the credit can be applied to transportation costs or legal and financial services that are necessary for caregiving. General household maintenance expenses, such as painting, plumbing, electrical repairs, or exterior maintenance, would not be eligible for this credit.

To qualify, the family member receiving care must be aged 49 or older and must have a documented need for assistance with at least two activities of daily living, such as eating, dressing, bathing, or ambulating. The need must also be certified by a licensed healthcare provider. Additionally, taxpayers must have incurred at least \$1,000 in caregiving expenses during the tax year to qualify.

The credit is available to individuals with an adjusted gross income (AGI) above \$7,500. For married couples filing jointly, the modified AGI must be under \$94,000. Spouses filing separately are eligible with a modified AGI of less than \$56,500, and all other taxpayers must have a modified AGI under \$69,000.

Importantly, if the credit exceeds a taxpayer's liability, they may carry the unclaimed portion of the credit forward indefinitely, ensuring that they are able to benefit from the full amount of relief over time.

Senate Bill 205 offers a targeted approach to address a growing challenge facing our families. It honors the work of caregivers and supports working Ohioans. I respectfully urge the Committee's favorable consideration of this bill. Thank you again for your time and attention, and I am happy to answer any questions.