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H.B. 279
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. A. Mathews and Williams

Zachary P. Bowerman, Attorney

SUMMARY

- Authorizes a nonrefundable income tax credit for 30%, up to \$2,000, of certain expenses incurred by family caregivers with income below a certain threshold to care for a family member above the age of 49.

DETAILED ANALYSIS

Income tax credit for family caregivers

The bill creates a nonrefundable income tax credit for an eligible taxpayer that incurs certain eligible expenses to act as a caregiver for a family member above the age of 49. The amount of the credit is 30% of eligible caregiving expenses, up to a maximum credit of \$2,000 per caregiver per year. If a taxpayer qualifies for the credit but cannot claim it in its entirety because it is greater than the taxpayer's liability, the taxpayer may carry the unclaimed portion forward indefinitely.

This credit is available for taxable years ending on or after the bill's 90-day effective date. The Tax Commissioner may adopt rules as necessary to administer the credit.

Eligible taxpayers and family members

To qualify for the credit, a taxpayer's adjusted gross income must be above \$7,500, exclusive of interest, dividends, royalties, rent, and capital gains. Also, spouses filing a joint return must have a modified adjusted gross income (MAGI) of less than \$94,000. (MAGI is state taxable income, without deduction for capital gains and business income.) A spouse filing a separate return is limited to a MAGI of \$56,500, and all other taxpayers have a MAGI limit of \$69,000. In addition to the income conditions, the taxpayer must have incurred at least \$1,000 in expenses to take care of a family member who has a documented need, certified by a licensed health care provider, for assistance with at least two activities of daily living, such as ambulating, eating, dressing, and hygiene.

An eligible family member is someone above the age of 49 as of the last day of the taxable year who is related to the taxpayer by blood or marriage. The bill allows more than one taxpayer to qualify for the credit based on expenses associated with caring for the same eligible family member, but not on the basis of the same expenses.

Eligible expenses

Credit-eligible expenses are out-of-pocket expenses incurred during the taxable year that are directly related to caring for the eligible family member and that have not been reimbursed or otherwise covered by another person, organization, or government entity. They include mobility or safety improvements made to a primary residence or motor vehicle; equipment or assistive technology purchased or leased to assist with activities of daily living; respite care, adult day care, or hiring a home care aide or other direct care worker; and other expenses such as transportation costs or legal and financial services. General household maintenance expenses, however, such as expenses related to painting, plumbing, electrical repairs, or exterior maintenance, do not qualify for the credit.¹

HISTORY

Action	Date
Introduced	05-20-25

¹ R.C. 5747.053, 5747.08, and 5747.98; Section 3.