1	S.51
2	An act relating to the Vermont unpaid caregiver tax credit
3	It is hereby enacted by the General Assembly of the State of Vermont:
4	Sec. 1. FINDINGS
5	The General Assembly finds:
6	(1) According to the U.S. Department of Labor, women in the United
7	States 55 years of age and older provide 26.6 million hours of unpaid care to
8	family and friends daily.
9	(2) According to the AARP:
10	(A) More than 75 percent of family caregivers 50 years of age and
11	older who retired early because of family caregiving responsibilities would
12	have remained in the workforce longer if they had access to financial or
13	nonfinancial supports.
14	(B) If family caregivers aged 50 years of age and older have access to
15	support in the workplace, U.S. Gross Domestic Product could grow by an
16	additional \$1.7 trillion (5.5 percent) in 2030.
17	(3) According to a 2023 report by the Urban Institute, entitled "Lifetime
18	Employment-Related Costs to Women of Providing Family Care," the
19	employment-related costs for mothers of providing unpaid care to minor
20	children and parents, parents-in-law, and spouses (including unmarried
21	partners) with care needs average \$295,000.00 over a lifetime.

1	(4) Using a national survey and six focus groups, the Commonwealth
2	Fund identified financial compensation for the time spent caregiving as a top
3	policy priority for family caregivers.
4	Sec. 2. 32 V.S.A. § 5813 is amended to read:
5	§ 5813. STATUTORY PURPOSES
6	* * *
7	(aa) The statutory purpose of the unpaid caregiver tax credit in section
8	5830g of this title is to provide financial support to Vermonters who spend
9	significant time providing uncompensated care for a family member.
10	Sec. 3. 32 V.S.A. § 5830g is added to read:
11	§ 5830g. VERMONT UNPAID CAREGIVER TAX CREDIT
12	(a) A resident individual or part-year resident individual who provides
13	uncompensated care shall be entitled to a refundable credit against the tax
14	imposed by section 5822 of this title for the taxable year. The maximum
15	allowable credit per taxable year shall be \$1,000.00 for providing 12 months of
16	uncompensated care. The credit shall be based on the number of months the
17	individual caregiver spent providing at least 20 hours per week of
18	uncompensated care for an individual who:
19	(1) is related to the caregiver by blood, civil marriage, or adoption;
20	(2) needs assistance with activities of daily living, home health care, or
21	assistance remaining safe at home;

1	(3) has a medically diagnosed disability or health condition; and
2	(4) does not reside at a residential care home, an assisted living
3	residence, or nursing home as defined by 33 V.S.A. § 7102, or any other
4	similar adult care home that is licensed or required to be licensed pursuant to
5	33 V.S.A. chapter 71.
6	(b) Notwithstanding subsection (a) of this section, the amount of the credit
7	under this section shall be reduced by \$20.00 for each \$1,000.00, or fraction
8	thereof, by which the individual's adjusted gross income exceeds \$125,000.00,
9	irrespective of the individual's filing status. For purposes of this subsection,
10	spouses filing jointly shall be considered an individual.
11	(c) An individual claiming the credit under this section shall attest that they
12	met all requirements under this section for the number of months claimed.
13	(d) Upon the Commissioner's request, an individual claiming a credit under
14	this section shall provide supporting documentation or other information
15	relating to the individual's qualification for the credit, including a form
16	prepared by the Commissioner, to be executed by a licensed medical
17	professional, attesting that the licensed medical professional provides primary
18	or specialized medical care for the individual receiving uncompensated care
19	and that the individual has a medical diagnosis requiring assistance with
20	activities of daily living for at least 20 hours per week. The individual
21	claiming the credit shall have the medical professional execute the form prior

1	to claiming the credit, shall retain the executed form for a period of at least
2	three years, and shall provide the form to the Commissioner on request.
3	Sec. 4. EFFECTIVE DATE
4	Notwithstanding 1 V.S.A. § 214, this act shall take effect retroactively on
5	January 1, 2025 and apply to taxable years beginning on and after January 1,
6	<u>2025.</u>