

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 (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 2025.