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**Bill 202 Income Tax – Caregiver Tax Credit
FAVORABLE
Senate Budget and Taxation Committee
Wednesday, January 17, 2024**

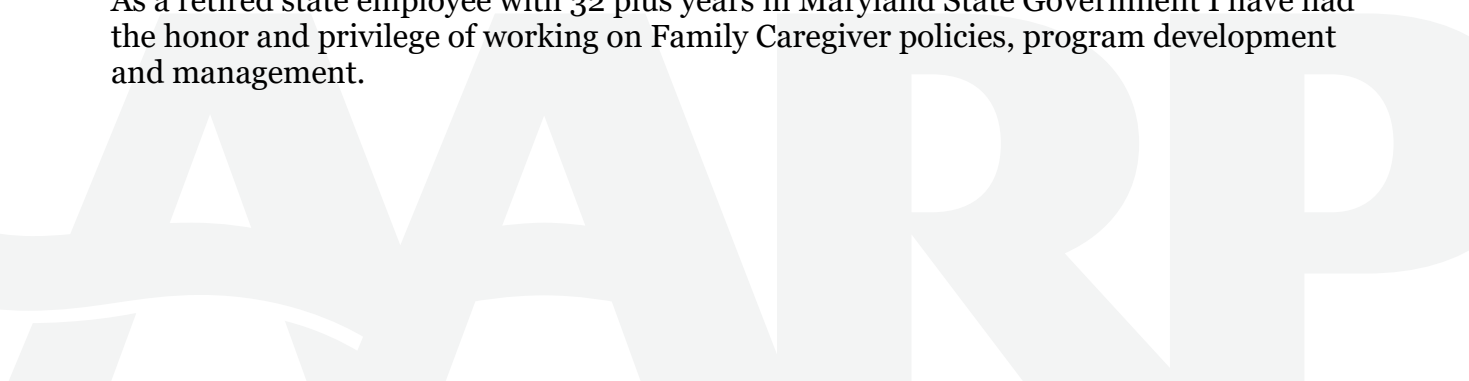
Good afternoon, Chairman Guzzone and members of the Senate Budget and Taxation Committee. I am Dorinda Adams. I am a volunteer with AARP Maryland and resident of Annapolis Maryland. AARP MD and its more than 850,000 members support SB 202 Income Tax – Caregivers Tax Credit. We thank Senator Benson for sponsoring this important legislation.

AARP is the largest nonprofit nonpartisan organization representing the interest of Americans aged 50 and older and their families. AARP Maryland has been championing Family Caregivers for over a decade within the Maryland General Assembly. When asked by AARP Maryland to lead volunteer efforts to organize support for Senate Bill 202 I did not hesitate to jump in and join with individuals and organizations that support Maryland's 760,000 Family Caregivers.

Family Caregivers have been referred to as Informal Caregivers and most are employed and often women over the age of 50. Financially, they may pay out of pocket expenses to cover home health care, medical supplies not covered by insurance or specialized transportation costs to medical appointments for the family member needing care. AARP determines from national data that the average out of pocket expenses to provide additional support to their family member costs the Family Caregiver \$7,200 annually. The annual out of pocket costs does not include the amount that the care provided has been estimated to be valued at 12.5 billion annually. Family Caregivers have identified tax credits to support the additional financial costs they incur while providing unpaid care.

Senate Bill 202 would provide a Tax Credit for Caregivers (not receiving compensation) caring for an immediate Family Member, 18 years or older with at least one care need (Activities of Daily Living.) This tax credit would be available for those filing with a Federal Adjusted Gross Income of \$75,000 or less and for joint filing a Federal Adjusted Gross Income of \$150,000 or less. The maximum amount of the Tax Credit would be up to \$5000 each taxable year.

As a retired state employee with 32 plus years in Maryland State Government I have had the honor and privilege of working on Family Caregiver policies, program development and management.



One of my most treasured accomplishments was to be part of a team to work with Former Delegate Marilyn Goldwater on the initial legislation to mandate the Maryland Caregivers Support Coordinating Council which was enacted during the 2001 Maryland General Assembly. This Council was the first in the nation that focused on supporting the Family Caregiver and in 2017 former Senator Delores Kelley introduced legislation to rename the Council to the Maryland Commission on Caregiving and expand the membership to include a member of the Maryland State Senate and a member of the Maryland House of Delegates.

Serving as the Executive Staff first to the Council and then the Commission, I heard from Family Caregivers across Maryland and often I would hear the need for additional supports such as Respite Care and Training to ensure that they were their best selves in caring for their family member. The final need I heard after Respite Care and Training was about financial support and often that led to the discussion of developing a tax credit.

Volunteering on behalf of AARP Maryland to lead the grassroots advocacy efforts on this bill is another treasured accomplishment and one that I believe would be of great support to Maryland's Family Caregivers.

I submit this written testimony on behalf of all the Family Caregivers I have had the privilege to meet over the years as providing staff support to first the Council and then the Commission.

As an AARP Maryland Volunteer, I respectfully request a favorable vote on SB 202 Income Tax – Caregiver Tax Credit. If you have questions or need follow up, contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.