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**SB 660 Income Tax - Caregiver Tax Credit**  
**FAVORABLE**  
**Senate Budget and Taxation Committee**  
**March 2, 2022**

Good afternoon, Chair Guzzone and members of the Senate Budget and Taxation Committee. I am Tammy Bresnahan. I am the Director of Advocacy for AARP Maryland. AARP is the largest nonprofit, nonpartisan organization representing the interests of Americans age 50 and older and their families. Key priorities of our organization include helping all Marylanders achieve financial and health security.

AARP MD and its almost 870,000 members support SB 660 Caregiver Tax Credit. We thank Senator Benson for sponsoring this critical piece of legislation and for championing this bill for family caregivers.

Most of us are, have been, or will be a family caregiver or will need help to live independently. This is an ageless and nonpartisan issue. Family caregivers are all ages, races, and ethnicities and cut across all segments of our population. Family caregivers are the backbone of services and supports in this country. They help make it possible for older adults, people with disabilities, and veterans to live independently in their homes and communities.

The physical, emotional, and financial challenges they face in their caregiving roles cannot be overstated and, for many, the challenges have increased with COVID19. There is also a significant economic impact as Maryland family caregivers provide millions of dollars annually in unpaid care to their loved ones. They face out-of-pocket expenses to assist their loved ones as well as potential income and retirement savings foregone.

In a recent AARP report nearly eight in ten caregivers (78 percent) report regularly spending their own money on caregiving expenses. The report also found that family caregivers spend, on average, 26 percent of their income on caregiving expenses or \$7,240 annually. Their assistance helps save taxpayer dollars by helping to delay or prevent more costly nursing home care and unnecessary hospital stays. The Caregiver Tax Credit would create a new, tax credit of up to \$5,000 for eligible family caregivers to help address the financial challenges of caregiving.

The Caregiver Tax Credit is an important step for the Maryland Legislature to show support for family caregivers and we ask for a favorable report on SB 660. If you have questions or need follow up, please contact Tammy Bresnahan at [tbresnahan@aarp.org](mailto:tbresnahan@aarp.org) or by calling 410-302-8451.