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**HB 978 Income Tax - Caregiver Tax Credit**  
**FAVORABLE**  
**House Ways and Means Committee**  
**March 2, 2022**

Good afternoon, Chair Atterbeary and members of the House Ways and Means 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 HB 978 Caregiver Tax Credit. We thank Delegate Harrison for sponsoring this critical piece of legislation that would help family caregivers caring for a loved one.

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.

A recent AARP report found that 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 HB 978. 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.

