

VIRGINIA I. JONES ALZHEIMER'S DISEASE AND RELATED DEMENTIAS COUNCIL

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February 15, 2023

Senator Guy Guzzone
Chair, Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, MD 21401-1991

RE: Senate Bill 344 – Income Tax - Caregiver Tax Credit

Dear Chair Guzzone and Committee Members:

The Virginia I. Jones Alzheimer's Disease and Related Dementias Council (the Council) extends its support for Senate Bill 344 (SB 344), titled "Income Tax - Caregiver Tax Credit. SB 344 establishes a state income tax credit for qualifying expenses incurred by caregivers of adult immediate family members who require care or support with activities of daily living.

While dementia is commonly considered an issue of concern for older adults, numerous neurodegenerative conditions lead to dementia in younger adults as well. Early onset dementia affects an estimated 200,000 Americans, in addition to the 6.5 million people living with dementia who are over age 65.¹ Many people living with Alzheimer's disease and related dementias (ADRD) rely on informal caregivers, often family members, to provide care and assistance in daily tasks. In 2021, estimates suggest 242,000 family caregivers in Maryland were providing care for people living with dementia, contributing 371 million hours of unpaid care per year and amounting to an estimated total economic value of \$6.8 billion.¹

In addition to the direct costs incurred by caregivers, the indirect costs of caregiving are staggering. Family caregivers are at risk for physical and emotional strain, depression, isolation, premature retirement, lost wages, and financial burden.² More than 40% of caregivers have a household income of \$50,000 or less.³ The tax credit established under SB 344 would provide meaningful financial relief to eligible family caregivers, especially lower income caregivers for whom even small caregiving-related expenses contribute to financial strain.

The Council recently released the *Maryland State Plan to Address ADRD: 2022-2026*, which sets five goals for addressing the emerging needs of Maryland's aging population.⁴ Goal 3 of the State Plan is to "enhance and expand support for family caregivers." The Council respectfully asks this Committee to approve SB 344, as it advances the goals of the State Plan and will make a significant difference in the lives of Marylanders living with dementia and their families.

¹ Alzheimer's Association. 2022 Alzheimer's Disease Facts and Figures. *Alzheimers Dementia* 2022;18.

<https://www.alz.org/media/documents/alzheimers-facts-and-figures.pdf>

² Connell CM, Janevic MR, Gallant MP. The costs of caring: impact of dementia on family caregivers. *Journal of geriatric psychiatry and neurology*. 2001;14(4):179-187. doi:10.1177/089198870101400403

³ The 2014 Alzheimer's Association Women and Alzheimer's Poll. *Alzheimers Dement*. 2014 Mar;10(2):e47-92. doi: 10.1016/j.jalz.2014.02.001. <https://pubmed.ncbi.nlm.nih.gov/24818261/>

⁴ Maryland State Plan to Address Alzheimer's Disease and Related Dementias: 2022-2026 (May 2022). [FINAL_2021_ADRD_state_plan.docx \(maryland.gov\)](#)

Sincerely,

A handwritten signature in black ink, appearing to read 'Halima Amjad', written in a cursive style.

Halima Amjad, MD, PhD, MPH, Chair, Virginia I. Jones Alzheimer's Disease and Related Dementias Council