



COMMISSION ON AGING

TESTIMONY ON SB0151 - POSITION: FAVORABLE WITH AMENDMENTS **Income Tax - Credit for Individuals Residing With and Caring for Elderly Parents**

TO: Chair Guzzone, Vice Chair Rosapepe, and members of the Budget and Taxation Committee

FROM: Linda Bergofsky, Co-Chair, Montgomery County Commission on Aging

I am writing on behalf of the Montgomery County Commission on Aging (CoA) regarding **SB0151—Income Tax Credit for Individuals Residing With and Caring for Elderly Parents, with Amendments**. The CoA was established by Montgomery County in 1974 pursuant to a requirement of the Federal Older Americans Act of 1965, that there be an Advisory Council to the Area Agency on Aging. In that role, the CoA serves as an advocate for the health, safety, and well-being of the County's older residents at the local, State, and National levels. This legislation addresses a priority of the Commission and of our residents who have clearly stated they prefer to remain in their homes, with their family members as caregivers, as they age. The Montgomery County CoA supports the intent of the proposed legislation and offers specific amendments based on the lived experience of and feedback from consumers, providers, and advocates.

As the need for help with activities of daily living increases with age, family members become caregivers (many of them women). More than 1 million adults in Maryland are family caregivers—most often for a parent (49%). On average, family caregivers are in their 40's and nearly two-thirds work while also caregiving. They are overwhelmingly female (75%). All family caregivers help with at least one instrumental activity of daily living (IADL), such as preparing meals and managing finances, and most caregivers assist with basic activities of daily living (ADL), such as bathing, feeding, and getting dressed. Most caregivers are married or living with a partner (62%) and 30% live in a household with income under \$50,000.¹ The need for caregivers and caregiving will continue to grow; by 2034, older residents will outnumber school age children.²

¹ AARP, October 2025, Caregiving in the US 2025: Maryland

² Maryland Department of Aging, Paving the Way for a Longevity Ready Maryland (Baltimore, MD: Maryland Department of Aging, March 14, 2025)

While it is clear that SB0151 would have a fiscal impact as it provides some tax relief to family caregivers, the bill could actually save the State money. The current cost of nursing home placement for one older resident is over \$120,000. If we allow just 150 of Maryland's 760,000 family caregivers to burn out for lack of support, it could result in nursing home placements costing taxpayers over \$18 million dollars! As Maryland's aging population continues to grow, there is increasing need to support our family caregivers.

Additional benefits of the legislation also will be significant: ✓strengthens family units and fosters intergenerational bonds; ✓supports mental and physical health of family caregivers; ✓reduces the need for families to move to states or counties with a lower cost of living; ✓enhances the physical and emotional well-being of older family members; ✓reduces institutionalization of these older adults; and ✓respects the caregiver's decision to expend their resources for the benefit of older family members.

The Commission on Aging, while fully supporting the intent of the bill, urges adoption of the following amendments to focus and further define eligibility for the tax credit, and reduce potential fraud and abuse of the legislation's intent.

Section 1. (A). "Parent" means an individual at least 70 years old who is a biological or adoptive parent of an individual (caregiver).

Suggested Revision: Care recipient means an individual at least 60 years old who is either a biological parent, adoptive parent, step-parent, grandparent, or great-grandparent, or a biological sibling, adoptive sibling, or step-sibling of an individual caregiver.

Section 1. (B) (2). Provides care for the parent.

Suggested Revision: Provides care as defined by providing regular assistance with at least 2 Basic Activities of Daily Living that are essential for health and well-being.

We respectfully urge the return of a Favorable With Amendments decision and report on SB 0151.

Thank you for your support of this legislation.