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HOUSE BILL NO. 1478

Offered January 13, 1999

Prefiled December 14, 1998

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.6, relating to creation of a tax credit for caregivers.

Patron—Darner

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.6 as follows:

§ 58.1-339.6. Tax credit for caregivers.

A. For taxable years beginning on and after January 1, 2000, any taxpayer with adjusted gross income between \$5,000 and \$50,000, inclusive, who provides care to a mentally or physically impaired relative, as defined in this section, who requires assistance with two or more activities of daily living during more than half the year, shall be entitled to a \$500 credit against the tax imposed pursuant to § 58.1-320.

B. For purposes of this section:

"Activities of daily living" (ADL) means bathing, dressing, toileting, transferring, bowel control, bladder control, and eating/feeding.

"Assistance" means the individual requires the aid of another person to safely complete the activity.

"Care for a mentally or physically impaired relative" means assistance with the activities of daily living provided to such person when the relative has been screened by a private physician and has been found to be eligible, in accordance with relevant state regulations, for placement in an assisted-living facility or a nursing home or for receiving community long-term care services.

"Relative" means a spouse, child, father, mother, sibling, or other ancestor or descendant who is related by blood, marriage, or adoption.

C. The relative being cared for may live in the taxpayer's home or in his own home but may not be receiving Medicaid-reimbursed community long-term care services or living in a nursing home or other assisted living facility where assistance with ADLs is already provided and the cost of such assistance is included in the monthly bill or rental fee.

D. Any taxpayer applying for the credit pursuant to this section shall affirm, by signing and submitting his tax return, that the relative for whom he provided care met the criteria set forth in this section. Only one credit shall be allowed annually for each relative receiving care under the provisions of this section.

INTRODUCED

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