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HOUSE BILL NO. 2195

Offered January 14, 2009

Prefiled January 14, 2009

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.12, relating to in-home health care expenses tax credit.

Patrons—Watts, Amundson, Plum, Sickles and Vanderhye; Senators: Petersen, Puller, Ticer and Whipple

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 58.1-339.12 as follows:

§ 58.1-339.12. In-home health care expenses tax credit.

A. For taxable years beginning on or after January 1, 2010, any individual who claims a mentally or physically impaired relative, as defined in § 63.2-2200, and who cares and pays for such relative's in-home health care expenses shall be entitled to a credit against the tax levied pursuant to § 58.1-320. The amount of the credit shall be equal to the amount paid by the individual, subject to the limitation in subsection B, for the in-home health care for which there is no reimbursement and for which no other deduction has been taken on the individual's income tax return. In-home health care expenses shall include unreimbursed medical-related expenses, expenses related to assistance with activities of daily living, and companion care expenses. The credit shall be reduced \$1 for every \$2 that the taxpayer's federal adjusted gross income exceeds \$50,000 for single taxpayers and \$75,000 for married taxpayers.

B. The total amount allowed in any one year shall not exceed \$1,000. The taxpayer shall submit proof of the amount paid in the taxable year based on information requirements established by the Tax Commissioner that are included in the income tax return instructions.

INTRODUCED

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