

114TH CONGRESS
1ST SESSION

S. 879

To amend the Internal Revenue Code of 1986 to provide an income tax credit for eldercare expenses.

IN THE SENATE OF THE UNITED STATES

MARCH 26, 2015

Ms. KLOBUCHAR (for herself and Ms. MIKULSKI) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide an income tax credit for eldercare expenses.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Americans Giving Care
5 to Elders (AGE) Act of 2015”.

6 **SEC. 2. CREDIT FOR ELDERCARE EXPENSES.**

7 (a) IN GENERAL.—Subpart A of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by inserting after section 25D the fol-
10 lowing new section:

1 **“SEC. 25E. EXPENSES FOR ELDERCARE.**

2 “(a) ALLOWANCE OF CREDIT.—

3 “(1) IN GENERAL.—In the case of an individual
4 for which there are 1 or more qualifying individuals
5 (as defined in subsection (b)(1)) with respect to such
6 individual, there shall be allowed as a credit against
7 the tax imposed by this chapter for the taxable year
8 an amount equal to the applicable percentage of the
9 eldercare expenses (as defined in subsection (b)(2))
10 paid by such individual during the taxable year.

11 “(2) APPLICABLE PERCENTAGE DEFINED.—For
12 purposes of paragraph (1), the term ‘applicable per-
13 centage’ means 20 percent reduced (but not below
14 zero) by 1 percentage point for each \$4,000 (or frac-
15 tion thereof) by which the taxpayer’s adjusted gross
16 income for the taxable year exceeds \$120,000.

17 “(b) DEFINITIONS OF QUALIFYING INDIVIDUAL AND
18 ELDERCARE EXPENSES.—For purposes of this section—

19 “(1) QUALIFYING INDIVIDUAL.—The term
20 ‘qualifying individual’ means the father or mother of
21 the taxpayer or an ancestor of such father or moth-
22 er, who requires assistance with activities of daily
23 living.

24 “(2) ELDERCARE EXPENSES.—

1 “(A) IN GENERAL.—The term ‘eldercare
2 expenses’ means amounts paid for expenses for
3 the care of a qualifying individual.

4 “(B) CARE CENTERS.—Eldercare expenses
5 described in subparagraph (A) which are in-
6 curred for services provided outside the tax-
7 payer’s household by a care center (as defined
8 in subparagraph (C)) shall be taken into ac-
9 count only if such center complies with all ap-
10 plicable laws and regulations of a State or unit
11 of local government.

12 “(C) CARE CENTER DEFINED.—For pur-
13 poses of this paragraph, the term ‘care center’
14 means any facility which—

15 “(i) provides care for more than six
16 individuals, and

17 “(ii) receives a fee, payment, or grant
18 for providing services for any of the indi-
19 viduals (regardless of whether such facility
20 is operated for profit).

21 “(c) DOLLAR LIMIT ON AMOUNT CREDITABLE.—

22 “(1) IN GENERAL.—The amount of the
23 eldercare expenses incurred during any taxable year
24 which may be taken into account under subsection
25 (a) shall not exceed \$6,000.

1 “(2) COORDINATION WITH DEPENDENT CARE
2 ASSISTANCE EXCLUSION.—The dollar amount in
3 paragraph (1) shall be reduced by the aggregate
4 amount excluded from gross income under section
5 129 for the taxable year.

6 “(d) SPECIAL RULES.—For purposes of this sec-
7 tion—

8 “(1) PAYMENTS TO RELATED INDIVIDUALS.—
9 No credit shall be allowed under subsection (a) for
10 any amount paid to an individual—

11 “(A) with respect to whom, for the taxable
12 year, a deduction under section 151(c) (relating
13 to deduction for personal exemptions for de-
14 pendents) is allowable either to the taxpayer or
15 his spouse, or

16 “(B) who is a child of the taxpayer (within
17 the meaning of section 152(f)(1)) who has not
18 attained the age of 19 at the close of the tax-
19 able year.

20 For purposes of this paragraph, the term ‘taxable
21 year’ means the taxable year of the taxpayer in
22 which the service is performed.

23 “(2) IDENTIFYING INFORMATION REQUIRED
24 WITH RESPECT TO SERVICE PROVIDER.—No credit

1 shall be allowed under subsection (a) for any amount
2 paid to any person unless—

3 “(A) the name, address, and taxpayer
4 identification number of such person are in-
5 cluded on the return claiming the credit, or

6 “(B) if such person is an organization de-
7 scribed in section 501(c)(3) and exempt from
8 tax under section 501(a), the name and address
9 of such person are included on the return
10 claiming the credit.

11 In the case of a failure to provide the information
12 required under the preceding sentence, the preceding
13 sentence shall not apply if it is shown that the tax-
14 payer exercised due diligence in attempting to pro-
15 vide the information so required.

16 “(3) IDENTIFYING INFORMATION REQUIRED
17 WITH RESPECT TO QUALIFYING INDIVIDUALS.—No
18 credit shall be allowed under subsection (a) with re-
19 spect to any qualifying individual unless the tax-
20 payer identification number of such individual is in-
21 cluded on the return claiming the credit.

22 “(4) MARRIED COUPLES MUST FILE JOINT RE-
23 TURN.—Rules similar to the rules of paragraphs (2)
24 and (3) of section 21(e) shall apply.

1 “(e) DENIAL OF DOUBLE BENEFIT.—No credit shall
2 be allowed under subsection (a) for any amount with re-
3 spect to which a credit is allowed under section 21.

4 “(f) REGULATIONS.—The Secretary shall prescribe
5 such regulations as may be necessary to carry out the pur-
6 poses of this section.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 for subpart A of part IV of subchapter A of chapter 1
9 of the Internal Revenue Code of 1986 is amended by in-
10 sserting after the item relating to section 25D the following
11 new item:

“Sec. 25E. Expenses for eldercare.”.

12 (c) CONFORMING AMENDMENTS.—

13 (1) Section 213(e) of the Internal Revenue
14 Code of 1986 is amended—

15 (A) by inserting “or section 25E” after
16 “section 21”, and

17 (B) by inserting “AND ELDERS” after
18 “CERTAIN DEPENDENTS” in the heading.

19 (2) Section 6213(g)(2) of such Code is amend-
20 ed—

21 (A) by inserting “, section 25E (relating to
22 expenses for care of elders),” after “(relating to
23 expenses for household and dependent care
24 services necessary for gainful employment)” in
25 subparagraph (H), and

1 (B) by inserting “25E,” after “24,” in
2 subparagraph (L).

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

6 **SEC. 3. EXTENSION AND INCREASE IN FUNDING FOR THE**
7 **NATIONAL FAMILY CAREGIVER SUPPORT**
8 **PROGRAM.**

9 (a) IN GENERAL.—Section 303(e) of the Older Amer-
10 icans Act of 1965 (42 U.S.C. 3023(e)) is amended—

11 (1) by striking paragraphs (1) and (2) and in-
12 serting the following:

13 “(1) There is authorized to be appropriated to carry
14 out part E (relating to family caregiver support)
15 \$187,000,000 for each of fiscal years 2016, 2017, 2018,
16 and 2019.”;

17 (2) in paragraph (3), by striking “paragraphs
18 (1) and (2)” and inserting “paragraph (1)”; and

19 (3) by redesignating paragraph (3) as para-
20 graph (2).

21 (b) CONFORMING AMENDMENT.—Section
22 373(f)(1)(A) of the Older Americans Act of 1965 (42
23 U.S.C. 3030s–1(f)(1)(A)) is amended by striking “fiscal
24 years 2007, 2008, 2009, 2010, and 2011” and inserting
25 “fiscal years 2016, 2017, 2018, and 2019”.

1 **SEC. 4. NATIONAL RESOURCE CENTER ON FAMILY**
 2 **CAREGIVING.**

3 (a) IN GENERAL.—Part A of title IV of the Older
 4 Americans Act of 1965 (42 U.S.C. 3032 et seq.) is amend-
 5 ed by adding at the end the following:

6 **“SEC. 423. NATIONAL RESOURCE CENTER ON FAMILY**
 7 **CAREGIVING.**

8 “(a) DEFINITIONS.—In this section:

9 “(1) PUBLIC OR PRIVATE NONPROFIT ENTI-
 10 TY.—The term ‘public or private nonprofit entity’
 11 means—

12 “(A) a State, a political subdivision of a
 13 State, or an agency or instrumentality of such
 14 a State or political subdivision; or

15 “(B) a nonprofit entity that is described in
 16 section 501(c)(3) of the Internal Revenue Code
 17 of 1986 and exempt from taxation under sec-
 18 tion 501(a) of such Code.

19 “(2) STATE.—The term ‘State’ means 1 of the
 20 50 States.

21 “(b) ESTABLISHMENT.—The Secretary of Health
 22 and Human Services shall award a grant to or enter into
 23 a cooperative agreement with a public or private nonprofit
 24 entity to establish a National Resource Center on Family
 25 Caregiving (referred to in this section as the ‘Center’).

1 “(c) PURPOSES OF NATIONAL RESOURCE CENTER.—

2 The Center shall—

3 “(1) identify, develop, and disseminate informa-
4 tion on best practices for and evidence-based models
5 of family caregiver support programs;

6 “(2) provide timely information on policy and
7 program updates relating to family caregivers;

8 “(3) partner with related organizations to dis-
9 seminate practical strategies and tools to support
10 families in their caregiving roles;

11 “(4) convene educational programs and web-
12 based seminars on family caregiver issues and pro-
13 gram development; and

14 “(5) provide a comprehensive Internet website
15 with a national searchable database on family care-
16 giver programs and resources in the States.

17 “(d) AUTHORIZATION.—There is authorized to be ap-
18 propriated to carry out this section \$12,000,000 for the
19 period of fiscal years 2016 through 2019.”.

20 (b) TECHNICAL AMENDMENTS.—

21 (1) Section 431(a) of such Act (42 U.S.C.
22 3033(a)) is amended by striking “or contract” the
23 first place it appears and inserting “or contract (in-
24 cluding a cooperative agreement)”.

1 (2) Section 432(a) of such Act (42 U.S.C.
2 3033a(a)) is amended by striking “and contracts”
3 and inserting “and contracts (including cooperative
4 agreements)”.

○