

Aging Committee JOINT FAVORABLE REPORT

Bill No.: HB-7071

AN ACT PROVIDING AN INCOME TAX DEDUCTION FOR INDIVIDUALS

Title: CARING FOR ELDERLY PERSONS, CHILDREN OR DISABLED PERSONS.

Vote Date: 2/26/2019

Vote Action: Joint Favorable

PH Date: 2/19/2019

File No.:

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SPONSORS OF BILL:

Aging Committee

REASONS FOR BILL:

The bill would provide financial relief for caregivers by providing an income tax deduction for expenses paid to care for a relative with a disability or a senior relative. According to testimony, many family caregivers pay out of pocket for these expenses and are incurred with financial burdens and even have to quit jobs in order to care for family members with disabilities and this bill will help ease the financial burden that these families face.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Submitted for Proposed Bill No. 7071

NATURE AND SOURCES OF SUPPORT:

Anna Doroghazi, Advocacy Director, AARP Connecticut: Ms. Doroghazi testified in support of the bill, with the recommendation that the bill be an addition to, and not a replacement of, SB 1 and HB 5003. Ms. Doroghazi cited a 2016 AARP report which found that “78% of family caregivers incur out of pocket costs, and the average family caregiver spends nearly \$7,000 a year” on caregiving expenses. Ms. Doroghazi stated that a “caregiving tax” would help alleviate these financial burdens.

Walter Glomb, Director, Connecticut Council on Developmental Disabilities: Mr. Glomb testified that many family caregivers forgo income in order to care for someone with a disability, and that public assistance through Medicaid is often the alternative, and many of

these programs are already financially stressed. Mr. Glomb stated that and income tax deduction or tax credit would reduce costs of the state in terms of direct care.

Robert Johnston, Resident: Mr. Johnston testified about being the father of a daughter with a disability, and stated that by passing the legislation, it would greatly help ease the financial burden.

Melissa Marshall, Coordinator, CT Cross Disability Lifespan Alliance: Ms. Marshall testified that many families find themselves having pay out of pocket and are forced to quit jobs in order to care for family members with disabilities. Ms. Marshall stated that a tax cut will not be the ultimate solution, and services for all people with disabilities and older adults is what is ideally needed, but the tax break will help ease the issue.

Peaches C. Quinn, President, Connecticut Coalition on Aging: Ms. Quinn testified regarding how Aging in Place requires supporting family caregivers. Ms. Quinn also testified that the bill would greatly help aging in place initiatives and would help families maintain self-reliance and would aid in the state's goal to hold back any additional Medicaid cost.

Kathleen Flaherty, Executive Director, Connecticut Legal Rights Project: Ms. Flaherty testified in strong support of the bill, stating that it will allow families to deduct some expenses in determining their state tax obligation and it will ease some of the financial burden on caregivers.

Chaim Gewirtzman, Chairman, Home Care Association of America: Mr. Gewirtzman testified in support of the bill, but asked that the bill be amended to include the cost of live-in homemaker and companion services. Mr. Gewirtzman also stated that the tax deduction, the state would encourage more families to participate, and would provide these families much needed tax relief. Mr. Gewirtzman also stated that more in home care results in overall reduced health care costs, while creating jobs in the home care field.

NATURE AND SOURCES OF OPPOSITION:

None Expressed for Proposed Bill No. 7071

**Reported by: Gaia McDermott, Clerk
Avarice Jacovino, Assistant Clerk**

Date: 3/5/2019