



**151st GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	SENATE BILL NO. 143
SPONSOR:	Senator Mantzavinos
DESCRIPTION:	AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO INCOME TAX CREDITS.

Assumptions:

1. This Act becomes effective upon signature by the Governor. Upon signature, this Act applies to taxable years beginning after December 31, 2020.
2. This Act creates a nonrefundable individual income tax credit for qualified expenses incurred by a family caregiver to assist a qualified family member, limited to the following:
 - a. No credits can be claimed by a claimant whose income exceeds \$75,000 if the claimant is single or married and files separately, or \$150,000 if the claimant is married and files jointly.
 - b. Credits are limited to 50% of the claimant's qualified expenses.
 - c. The maximum credit that may be claimed each year for a family member is \$2,000, or if a claimant is married and filing a separate return, \$1,000.
3. According to a 2015 AARP Public Policy Institute Report, there are approximately 123,000 family caregivers in Delaware. However, more recent AARP data indicates there are approximately 48 million caregivers nationwide, which generates a current estimate for Delaware caregivers of approximately 140,000.
4. A June 2021 survey from AARP reports 78% of caregivers incur an annual average of \$7,242 of out-of-pocket expenditures as a result of caregiving.
5. Assuming each caregiver is providing care for only one individual and considering income thresholds of the credit and the non-refundability of the credit, the annual revenue loss to the State is estimated at approximately \$85 million. This estimate assumes each claimant has spent \$4,000 and claimed a credit of \$2,000 or their full tax liability, whichever is less.

Estimated General Fund Revenue Loss:

Fiscal Year 2022: \$85 million

Fiscal Year 2023: \$85 million

Fiscal Year 2024: \$85 million

Prepared by Robert Scoglietti
Office of the Controller General