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

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