

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025

A Bill

HOUSE BILL 1076

4
5 By: Representative Hudson
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For An Act To Be Entitled

8
9 AN ACT TO AMEND THE INCOME TAX LAWS; TO CREATE THE
10 CARING FOR CAREGIVERS ACT; TO PROVIDE AN INCOME TAX
11 CREDIT FOR EXPENSES INCURRED IN CARING FOR CERTAIN
12 FAMILY MEMBERS; AND FOR OTHER PURPOSES.
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Subtitle

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16 TO CREATE THE CARING FOR CAREGIVERS ACT;
17 AND TO PROVIDE AN INCOME TAX CREDIT FOR
18 EXPENSES INCURRED IN CARING FOR CERTAIN
19 FAMILY MEMBERS.
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. DO NOT CODIFY. Title.

24 This act shall be known and may be cited as the "Caring for Caregivers
25 Act".
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27 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
28 amended to add an additional section to read as follows:

29 26-51-518. Caring for caregivers credit.

30 (a) As used in this section:

31 (1) "Activities of daily living" means:

32 (A) Ambulating, which is the extent of an individual's
33 ability to move from one (1) position to another and walk independently;

34 (B) Feeding, which is the ability of an individual to feed
35 himself or herself;

36 (C) Dressing, which is the ability of an individual to



1 select appropriate clothes and put the clothes on without aid;

2 (D) Personal hygiene, which is the ability of an
3 individual to bathe and groom himself or herself and maintain dental hygiene
4 and nail and hair care;

5 (E) Contenance, which is the ability of an individual to
6 control bladder and bowel function; and

7 (F) Toileting, which is the ability of an individual to
8 get to and from the toilet without aid, use the toilet appropriately, and
9 clean himself or herself;

10 (2)(A) "Eligible expenditure" means an expense directly related
11 to assisting a family caregiver in providing care to an eligible family
12 member.

13 (B) "Eligible expenditure" includes without limitation:

14 (i) An improvement or alteration to the primary
15 residence of a family caregiver or an eligible family member to permit the
16 eligible family member to live in the residence and to remain mobile, safe,
17 and independent;

18 (ii) The purchase or lease by a family caregiver of
19 equipment, including without limitation durable medical equipment, that is
20 necessary to assist an eligible family member in carrying out one (1) or more
21 activities of daily living; and

22 (iii) Other expenses paid or incurred by a family
23 caregiver that assist the family caregiver in providing care to an eligible
24 family member, including without limitation expenses related to:

25 (a) Home care aides;

26 (b) Respite care;

27 (c) Adult day care;

28 (d) Personal care attendants;

29 (e) Healthcare equipment; and

30 (f) Technology.

31 (C) "Eligible expenditure" does not include expenses
32 incurred in carrying out general household maintenance activities, including
33 without limitation painting, plumbing services, electrical repairs, and
34 exterior maintenance;

35 (3) "Eligible family member" means an individual who:

36 (A) Is at least sixty-two (62) years of age;

1 (B) Requires assistance with at least two (2) activities
 2 of daily living, as certified by a licensed healthcare practitioner licensed
 3 under § 17-95-401 et seq.;

4 (C) Qualifies as a dependent, spouse, parent, or other
 5 relation by blood or marriage to the family caregiver; and

6 (D) Lives in a private residential home and not in an
 7 assisted living center, nursing facility, or residential care home;

8 (4) "Family caregiver" means an individual who:

9 (A) Provides care and support for an eligible family
 10 member;

11 (B) Has a total adjusted gross income of less than fifty
 12 thousand dollars (\$50,000), including the adjusted gross income of his or her
 13 spouse, if any; and

14 (C) Has personally incurred uncompensated expenses
 15 directly related to the care of an eligible family member; and

16 (5) "Veteran" means a person who served in the active military,
 17 naval, air, or space service and who was discharged or released from service
 18 under conditions other than dishonorable.

19 (b)(1) Subject to the limitations provided in this section, there is
 20 allowed an income tax credit against the income tax imposed by this chapter
 21 in an amount equal to fifty percent (50%) of the eligible expenditures
 22 incurred by a family caregiver for the care and support of an eligible family
 23 member.

24 (2) The maximum tax credit that may be claimed by a taxpayer in
 25 a tax year under this section is:

26 (A) Two thousand dollars (\$2,000); or

27 (B) Three thousand dollars (\$3,000), if the eligible
 28 family member for whom the family caregiver has incurred eligible
 29 expenditures is a veteran or has a diagnosis of dementia.

30 (3) If two (2) or more taxpayers claim the income tax credit
 31 allowed under this section for the same eligible family member, the total
 32 amount of the income tax credit allowed under this section shall be allocated
 33 in equal amounts among the taxpayers.

34 (4)(A) The total amount of the income tax credits allowed under
 35 this section shall not exceed one million five hundred thousand dollars
 36 (\$1,500,000) in a calendar year.

1 (B) The income tax credit allowed under this section shall
2 be awarded in the order in which the income tax credit is claimed, up to the
3 maximum amount stated in subdivision (b)(4)(A) of this section.

4 (c) The amount of the income tax credit under this section that may be
5 claimed by the taxpayer in a tax year shall not exceed the amount of income
6 tax due by the taxpayer.

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8 SECTION 3. EFFECTIVE DATE. Section 2 of this act is effective for tax
9 years beginning on or after January 1, 2025.

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