
A BILL FOR AN ACT

RELATING TO CAREGIVERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Caregiver tax credit. (a) There shall be
5 allowed a refundable caregiver tax credit to each eligible
6 taxpayer who is not claimed or is not otherwise eligible to be
7 claimed as a dependent by another taxpayer for federal or Hawaii
8 state individual income tax purposes, and who files an
9 individual net income tax return for a taxable year.

10 (b) The refundable caregiver tax credit shall be \$1000;
11 provided that the total amount of tax credits provided per year
12 shall not exceed \$ _____.

13 (c) An eligible taxpayer may claim the tax credit for
14 every taxable year that the eligible taxpayer provides care to a
15 care recipient. Only one caregiver per household may claim a
16 tax credit for any care recipient cared for in a taxable year.
17 An eligible taxpayer may not claim multiple tax credits under



1 this section in a taxable year, regardless of the number of care
2 recipients receiving care from the eligible taxpayer.

3 (d) An eligible taxpayer shall certify to the department
4 that the taxpayer is in compliance with all applicable federal,
5 state, and county statutes, rules, and regulations.

6 (e) If the tax credit claimed by the taxpayer under this
7 section exceeds the amount of income tax payments due from the
8 taxpayer, the excess of credit over payments due shall be
9 refunded to the taxpayer; provided that no refunds or payments
10 on account of the tax credit allowed by this section shall be
11 made for amounts less than \$1.

12 (f) Every claim, including amended claims, for the tax
13 credit under this section shall be filed on or before the end of
14 the twelfth month following the close of the taxable year for
15 which the tax credit may be claimed. Failure to meet the filing
16 requirements of this subsection shall constitute a waiver of the
17 right to claim the tax credit.

18 (g) The director of taxation shall prepare such forms as
19 may be necessary to claim a tax credit under this section, may
20 require proof of the claim for the tax credit, and may adopt
21 rules pursuant to chapter 91 to effectuate the purposes of this
22 section.



1 (h) The department shall report to the legislature
2 annually, no later than twenty days prior to the convening of
3 every regular session, on the number of taxpayers claiming the
4 tax credit and the total cost of the tax credit to the State
5 during the past year.

6 (i) The department shall assist the executive office on
7 aging to provide information on caregiver services to each
8 taxpayer who claims the tax credit.

9 (j) As used in this section:

10 "Eligible taxpayer" means a caregiver who cares for a
11 qualified care recipient.

12 "Qualified care recipient" means a person who is sixty
13 years of age or older, a citizen or resident alien of the United
14 States, and a relative of the caregiver who:

15 (1) Has co-resided with the caregiver at least six months
16 of the taxable year for which the credit is claimed;

17 or

18 (2) Has received more than fifty per cent of the qualified
19 care recipient's financial support during the taxable
20 year from the caregiver; and



1 (3) Is certified by a licensed physician or advanced
2 practice registered nurse as requiring one of the
3 following:

4 (A) Substantial supervision to protect the qualified
5 care recipient from threat to health or safety
6 due to cognitive impairment; or

7 (B) Substantial assistance to perform at least two of
8 the following activities of daily living:

9 (i) Bathing;

10 (ii) Eating;

11 (iii) Using the toilet;

12 (iv) Dressing; or

13 (v) Transferring, such as from bed to
14 wheelchair.

15 "Relative" means a spouse, child, parent, sibling, legal
16 guardian, a reciprocal beneficiary as that term is defined in
17 section 572C-3, or any other person who is related by blood,
18 marriage, or adoption."

19 SECTION 2. New statutory material is underscored.

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1 SECTION 3. This Act shall take effect upon its approval
 2 and shall apply to taxable years beginning after December 31,
 3 2006, and shall be repealed on January 1, 2010.

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Report Title:

Caregivers; Tax Credit

Description:

Provides a tax credit to taxpayer caregivers who care for qualified care recipients.

