

110TH CONGRESS  
2D SESSION

# H. R. 7036

To amend the Internal Revenue Code of 1986 to modify the dependent care credit to take into account expenses for care of parents and grandparents who do not live with the taxpayer.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 24, 2008

Mrs. BOYDA of Kansas (for herself, Mr. WEINER, Mr. RODRIGUEZ, Mr. ISRAEL, Mr. CARSON, Mr. RYAN of Ohio, and Ms. SHEA-PORTER) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to modify the dependent care credit to take into account expenses for care of parents and grandparents who do not live with the taxpayer.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Elder Care Tax Credit  
5 Act of 2008”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1           (1) Approximately two-thirds of the 5.5 million  
2 seniors over age 65 who receive long-term care rely  
3 exclusively on family, friends and other informal  
4 caregivers.

5           (2) Two in ten adults age 41 to 59 are sup-  
6 porting their parents financially, and slightly more  
7 than one in ten are providing financial help to a par-  
8 ent while also raising or supporting a child.

9           (3) Adults who provide care for an aging rel-  
10 ative have extensive costs. Long-distance caregivers  
11 spend an average of \$8,728 annually, and those who  
12 care for someone nearby spend \$4,570.

13 **SEC. 3. MODIFICATION OF CREDIT FOR EXPENSES FOR**  
14 **HOUSEHOLD AND DEPENDENT CARE SERV-**  
15 **ICES NECESSARY FOR GAINFUL EMPLOY-**  
16 **MENT.**

17           (a) CREDIT ALLOWED FOR COSTS INCURRED TO  
18 CARE FOR PARENTS AND GRANDPARENTS WHO DO NOT  
19 LIVE WITH THE TAXPAYER.—

20           (1) IN GENERAL.—Paragraph (1) of section  
21 21(b) of the Internal Revenue Code of 1986 (relat-  
22 ing to qualifying individual) is amended by striking  
23 “or” at the end of subparagraph (B), by striking the  
24 period at the end of subparagraph (C) and inserting

1 “, or”, and by adding at the end the following new  
2 subparagraph:

3 “(D) a dependent of the taxpayer (as de-  
4 fined in section 152, determined without regard  
5 to subsections (b)(1), (b)(2), (d)(1)(B), and  
6 (d)(1)(C)) who is the father or mother of the  
7 taxpayer (or an ancestor of such father or  
8 mother) and who is physically or mentally in-  
9 capable of caring for himself or herself.”.

10 (2) CONFORMING AMENDMENT.—Subparagraph  
11 (B) of section 21(b)(1) of such Code is amended by  
12 inserting “(other than a dependent described in sub-  
13 paragraph (D))” after “and (d)(1)(B))”.

14 (b) EFFECTIVE DATE.—The amendments made by  
15 this section shall apply to taxable years beginning after  
16 December 31, 2007.

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