STATE OF NEW YORK

8650

IN SENATE

January 7, 2026

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to establishing a caregiver tax credit; and to amend the elder law, in relation to establishing a family caregiver reimbursement program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 606 of the tax law is amended by adding a new subsection (uuu) to read as follows:

(uuu) Caregiver credit. (1) For taxable years beginning on or after the first of January next succeeding the effective date of this subsection, a qualifying taxpayer shall be allowed a credit against the taxes imposed by this article in the amount of fifty percent of their out-of-pocket spending on caregiver expenses, not to exceed six thousand dollars.

(2) A taxpayer shall be eligible for a tax credit under this subsection if such taxpayer meets the following criteria:

(A) take care of an individual age eighteen or older who requires assistance with at least one activity of daily living, as defined in 10 NYCRR 69-10.1;

(B) qualify as a dependent pursuant to 26 USC 152(d); and

(C) meet the income eligibility requirements of subsection (c-1) of this section.

(3) If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

(4) The commissioner in consultation with the director of the state office for the aging shall promulgate all rules and regulations necessary for the implementation of this subsection.

§ 2. The elder law is amended by adding a new section 221 to read as follows:

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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§ 221. Family caregiver reimbursement program. 1. Within amounts appropriated therefor, the office shall establish and administer a family caregiver reimbursement program to offset out-of-pocket spending by family caregivers for expenses including, but not limited to, home modifications and assistive technology.

2. The director of the office is directed to work in consultation with the commissioner of taxation and finance, to promulgate all rules and regulations necessary for the implementation of this section.

§ 3. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.