HOUSE BILL NO. 5214

November 04, 2025, Introduced by Reps. Schmaltz, Wortz, Roth, Thompson, Alexander, Kunse, Neyer, Kelly, Aragona, Schuette, Pavlov, Miller, Wozniak, BeGole, Prestin, Jenkins-Arno, Frisbie, Wilson, MacDonell, St. Germaine, Beson, Mentzer and Cavitt and referred to Committee on Insurance.

A bill to amend 1967 PA 281, entitled

"Income tax act of 1967,"

(MCL 206.1 to 206.847) by adding section 277.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 277. (1) For tax years that begin on and after January 1, 2026, a taxpayer who is an eligible family caregiver may claim a credit against the tax imposed under this part in an amount equal to 30% of the qualified expenses incurred by the taxpayer during the tax year or $2,000.00, whichever is less. The taxpayer shall not include any qualified expenses for which the taxpayer was

reimbursed or otherwise compensated by insurance or any state or federal assistance program.

(2) To be eligible for the credit under this section, the taxpayer shall, in the form and manner as prescribed by the department, provide the following information with the annual return filed under this part on which a credit under this section is claimed:

(a) Documentation to substantiate the qualified expenses claimed under this section.

(b) The name and Social Security number or individual tax identification number of the eligible family member for which qualified expenses identified under subdivision (a) were incurred.

(c) If applicable, a copy of the certification required under subsection (4)(c)(*i*)(A) for that eligible family member.

(3) If the amount of the credit allowed by this section exceeds the tax liability of the taxpayer for the tax year, that portion of the credit that exceeds the tax liability must be refunded.

(4) As used in this section:

(a) "Activities of daily living" mean ambulating, eating, toileting, bathing, dressing, grooming, personal hygiene, transferring, or continence.

(b) "Eligible family caregiver" means an individual who satisfies each of the following:

(*i*) Is a resident of this state.

(*ii*) Provided care, meaning either physical care or financial support, or both, for an eligible family member.

(*iii*) Personally incurred uncompensated qualified expenses directly related to the provision of care for an eligible family

member of $2,000.00 or more.

(*iv*) Has an adjusted gross income of less than $50,000.00 for a single return or $100,000.00 for a joint return.

(c) "Eligible family member" means a family member of the eligible family caregiver who lives in a private residential home and not in a nursing home, home for the aged, or any other assisted living facility and meets any of the following requirements in the following circumstances:

(*i*) Is 6 years of age or older and either of the following:

(A) Is unable to perform, without substantial assistance from another individual, at least 2 activities of daily living due to a loss of functional capacity as certified by a health care provider. The certification required under this sub-subparagraph must have been issued within the immediately preceding 24 months.

(B) Requires substantial supervision to protect such individual from threats to health and safety due to severe cognitive impairment.

(*ii*) Is at least 2 years of age but not 6 years of age, and is unable, due to a loss of functional capacity, to perform without substantial assistance from another individual at least 2 of the following activities: eating, transferring, or ambulating.

(*iii*) Is under 2 years of age, and requires specific durable medical equipment by reason of a severe health condition or requires a skilled practitioner trained to address the individual's condition to be available if the individual's parents or guardians are absent.

(d) "Family member" means that term as defined under section 2 of the earned sick time act, 2018 PA 338, MCL 408.962.

(e) "Goods, services, and supports" means any of the

following:

(*i*) Human assistance, supervision, cuing and standby assistance.

(*ii*) Assistive technologies and devices, including remote health monitoring.

(*iii*) Environmental modifications, including home modifications.

(*iv*) Health maintenance tasks such as medication management.

(*v*) Legal and financial services.

(*vi*) Transportation and travel.

(*vii*) Nonhealth items such as incontinence supplies.

(f) "Health care provider" means a physician, registered professional nurse, or social worker licensed under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838.

(g) "Instrumental activities of daily living" include, but are not limited to, meal planning and preparation, managing finances, shopping for food, clothing, and other essential items, performing essential household chores, communicating by phone or other media, and traveling around and participating in the community.

(h) "Qualified expenses" mean expenditures for goods, services, and supports that assist an eligible family member with accomplishing activities of daily living and instrumental activities of daily living and are directly related to assisting the eligible family caregiver in providing care for an eligible family member or are specifically for use by an eligible family member. Qualified expenses paid or incurred by the eligible family caregiver include the following subparagraphs (*i*) to (*vii*) and exclude subparagraph (*viii*):

(*i*) Expenditures for respite care.

(*ii*) Expenditures for counseling, support groups, or training

relating to caring for an eligible family member.

(*iii*) Transportation costs related to caring for an eligible family member. Transportation costs claimed under this subparagraph must not exceed the federal medical mileage rate for the current tax year for which the credit is being claimed.

(*iv*) Expenditures for assistive technologies.

(*v*) Expenditures for hiring a home care aide or other direct care worker for assistance.

(*vi*) Expenditures for health and medical care equipment.

(*vii*) Expenditures incurred for the improvements or modifications of the eligible family caregiver's principal residence or primary motor vehicle to ensure accessibility for an eligible family member.

(*viii*) Expenditures for general household maintenance such as painting, plumbing, or electrical regardless of whether such maintenance is done to the inside or outside of the residence.