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AARP Backs Bipartisan Credit for Caring Act

Introduced yesterday in Congress, the bill offers a federal tax credit for family caregivers

Washington, DC – AARP commends U.S. Representative Tom Reed (R-NY) and U.S. Representative Linda Sanchez (D-CA) on the bipartisan introduction of [H.R. 4708](#), the Credit for Caring Act, that supports America’s family caregivers by offering a federal tax credit of up to \$3,000 for those who qualify.

This tax credit would provide eligible family caregivers caring for loved ones of all ages with some financial relief and help them pay for services such as home care, adult day care, respite care, and other supports. Family caregivers help older adults and people with disabilities live independently in their homes and communities, saving taxpayer dollars by helping to delay or prevent more costly nursing home care and preventing unnecessary hospital readmissions. In addition to other assistance family caregivers provide, nearly 70% of family caregivers pay out-of-pocket to help provide care to their loved ones.

“The bipartisan Credit for Caring Act sends a clear message that support for family caregivers is not bound by political ideologies,” said [AARP Chief Advocacy and Engagement Officer Nancy LeaMond](#). “This legislation will help ease the financial burden faced by many family caregivers today.” The strong majority (83%) of registered voters age 40 and older, across party lines, support providing a federal income tax credit to family caregivers for the support and care of loved ones, according to a poll conducted by AARP.

Many family caregivers pay for caregiving expenses with their personal savings, too often causing them to reduce or stop saving for their own future. One survey found that over 40% of family caregivers spend more than \$5,000 a year on caregiving expenses.¹ Another survey found family caregivers of persons age 50 and older reported spending an average of more than 10% of their annual income on caregiving expenses, an average of \$5,531 out-of-pocket. Long-distance family caregivers averaged \$8,728 in annual expenses.

The Credit for Caring Act is important for America’s silent army of family caregivers who provide 37 billion hours of unpaid care, valued at an estimated \$470 billion annually. In addition to AARP, other groups supporting this legislation include the American Heart Association/American Stroke Association, National Multiple Sclerosis Society, National Council on Aging, Autism Speaks, Caregiver Action Network, and the Center for Elder Care and Advanced Illness, Altarum Institute.

AARP urges Congress to pass the Credit for Caring Act.

For more information on caregiving, visit AARP’s Caregiving Resource Center at www.aarp.org/caregiving.

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¹ L. Feinberg, S. Reinhard, A. Houser & R. Choula, *Valuing the Invaluable: 2011 Update, The Growing Contributions and Costs of Family Caregiving* (AARP PPI, 2011), available at <http://www.aarp.org/relationships/caregiving/info-07-2011/valuing-the-invaluable.html>. All data cited in this paragraph are included in this source unless otherwise noted.

About AARP

AARP is a nonprofit, nonpartisan organization, with a membership of nearly 38 million that helps people turn their goals and dreams into 'Real Possibilities' by changing the way America defines aging. With staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP works to strengthen communities and promote the issues that matter most to families such as healthcare security, financial security and personal fulfillment. AARP also advocates for individuals in the marketplace by selecting products and services of high quality and value to carry the AARP name. As a trusted source for news and information, AARP produces the world’s largest circulation magazine, AARP The Magazine and AARP Bulletin. AARP does not endorse candidates for public office or make contributions to political campaigns or candidates. To learn more, visit www.aarp.org or follow @aarp and our CEO @JoAnn_Jenkins on Twitter.

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