

# **WEST VIRGINIA LEGISLATURE**

## **2026 REGULAR SESSION**

**Introduced**

### **Senate Bill 465**

**FISCAL  
NOTE**

By Senator Chapman

[Introduced January 16, 2026; referred

to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,  
2 designated §11-29-1, §11-29-2, §11-29-3, and §11-29-4, relating to creating the Caregiver  
3 Tax Credit Act; defining terms; listing the guidelines for implementation; authorizing  
4 rulemaking for the Department of Revenue; and providing an effective date of January 1,  
5 2028.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 29. CAREGIVER TAX CREDIT ACT.**

**§11-29-1. Short Title.**

1 This act shall be known and may be cited as the Caregiver Tax Credit Act.

**§11-29-2. Definitions.**

1 As used in this article:

2 (1) "Activities of daily living" means:

3 (A) Ambulating, which is the extent of an individual's ability to move from one position to  
4 another and walk independently;

5 (B) Feeding, which is the ability of an individual to feed oneself;

6 (C) Dressing, which is the ability to select appropriate clothes and to put the clothes on  
7 without aid;

8 (D) Personal hygiene, which is the ability to bathe and groom oneself and maintain dental  
9 hygiene and nail and hair care;

10 (E) Continence, which is the ability to control bladder and bowel function; and

11 (F) Toileting, which is the ability to get to and from the toilet without aid, using it  
12 appropriately, and cleaning oneself.

13 (2) "Eligible expenditure" means:

14 (A) An improvement or alteration to the family caregiver's or eligible family member's  
15 primary residence to permit the eligible family member to live in the residence and to remain  
16 mobile, safe, and independent;

17       (B) The family caregiver's purchase or lease of equipment, including, but not limited to,  
18       durable medical equipment that is necessary to assist an eligible family member in carrying out  
19       one or more activities of daily living; and

20       (C) Other paid or incurred expenses by the family caregiver that assist the family caregiver  
21       in providing care to an eligible family member, such as expenditures related to:

- 22        (i) Hiring a home care aide or other direct care worker;
- 23        (ii) Respite care;
- 24        (iii) Adult day care;
- 25        (iv) Health care equipment; and
- 26        (vii) Assistive technology.

27       (D) The eligible expenditure shall be directly related to assisting the family caregiver in  
28       providing care to an eligible family member. Eligible expenditure does not include the carrying out  
29       of general household maintenance activities such as, but not limited to, painting, plumbing,  
30       electrical repairs, or exterior maintenance. Eligible expenditures shall only include out-of-pocket  
31       expenses that have not been reimbursed, credited, paid, or otherwise covered by another  
32       individual, organization, provider, or government entity.

33        (3) "Eligible family member" means an individual who:

- 34        (A) Is 62 years of age or older;
- 35        (B) Is a dependent, spouse, parent, or other relation by blood or marriage to the family  
36       caregiver;

37       (C) Lives in a private residential home and not in an assisted living center, nursing facility,  
38       or residential care home; and

39       (D) Requires assistance with at least one activity of daily living, as certified by a licensed  
40       health care provider, as set forth in Chapter 30 of this code.

41        (4) "Family caregiver" means an individual who:

- 42        (A) Is a resident individual for the taxable year, as defined in §11-21-7 of this code. If the

43 resident taxpayer files a joint return, the term includes the individual and the individual's husband  
44 or wife as recognized by §11-21-11 of this code;

45 (B) Is providing care, which can include physical or financial support, for an eligible family  
46 member;

47 (C) Has personally incurred uncompensated expenses directly related to the care of an  
48 eligible family member.

### **§11-29-3. Implementation; rulemaking.**

1 (a) For taxable years beginning on or after January 1, 2028, the state shall allow a credit  
2 against the income tax imposed pursuant to §11-21-11 of this code in the amount of 50 percent for  
3 eligible expenditures incurred by a family caregiver for the support of an eligible family member.

4 (b) The maximum allowable credit authorized by this section is \$2,000, unless the eligible  
5 family member is a veteran in which case that maximum allowed credit shall be \$3,000. The credit  
6 shall be adjusted annually based upon the consumer price index.

7 (c) The credit authorized by this article is a nonrefundable credit. The family caregiver shall  
8 not carry forward any unused amount of the credit.

9 (d) The tax credit established pursuant to this article shall be allocated to only one family  
10 caregiver per taxable year.

11 (e) The total credits authorized pursuant to this section for all taxpayers shall not exceed \$5  
12 million. The West Virginia State Department of Revenue shall publish by the first day of the  
13 affected year a percentage by which the tax credits authorized by this section shall be reduced so  
14 the total amount of credits used to offset the tax does not exceed \$5 million annually per year. The  
15 formula to be used for the percentage adjustment shall be \$5 million divided by the credits claimed  
16 in the second preceding year.

17 (f) In accordance with §29A-3-1 *et seq.* of this code, the West Virginia Department of  
18 Revenue shall promulgate rules necessary to implement and administer the credit authorized by  
19 this section.

**§11-29-4. Effective Date.**

1        This act shall become effective January 1, 2027.

NOTE: The purpose of this bill is to establish a tax credit for eligible family members providing caregiver services to an eligible family member.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.