

110TH CONGRESS
1ST SESSION

H. R. 1911

To amend the Internal Revenue Code of 1986 to modify the credit for expenses for household and dependent care services necessary for gainful employment.

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2007

Mr. DONNELLY introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to modify the credit for expenses for household and dependent care services necessary for gainful employment.

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 “Tax Relief for Working
5 Caregivers Act of 2007”.

1 **SEC. 2. MODIFICATION OF CREDIT FOR EXPENSES FOR**
2 **HOUSEHOLD AND DEPENDENT CARE SERV-**
3 **ICES NECESSARY FOR GAINFUL EMPLOY-**
4 **MENT.**

5 (a) INCREASED PHASEOUT THRESHOLD.—Para-
6 graph (2) of section 21(a) of the Internal Revenue Code
7 of 1986 (defining applicable percentage) is amended by
8 striking “\$15,000” and inserting “\$75,000”.

9 (b) CREDIT ALLOWED FOR COSTS INCURRED TO
10 CARE FOR PARENTS AND GRANDPARENTS WHO DO NOT
11 LIVE WITH THE TAXPAYER.—

12 (1) IN GENERAL.—Paragraph (1) of section
13 21(b) of the Internal Revenue Code of 1986 (relat-
14 ing to qualifying individual) is amended by striking
15 “or” at the end of subparagraph (B), by striking the
16 period at the end of subparagraph (C) and inserting
17 “, or”, and by adding at the end the following new
18 subparagraph:

19 “(D) a dependent of the taxpayer (as de-
20 fined in section 152, determined without regard
21 to subsections (b)(1), (b)(2), and (d)(1)(B))
22 who is the father or mother of the taxpayer (or
23 an ancestor of such father or mother) and who
24 is physically or mentally incapable of caring for
25 himself or herself.”.

1 (2) CONFORMING AMENDMENT.—Section
2 21(b)(1)(B) of such Code is amended by inserting
3 “(other than a dependent described in subparagraph
4 (D))” after “and (d)(1)(B)”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to taxable years beginning after
7 December 31, 2007.

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