

**Q: Is there a new family leave plan & tax benefit for people caring for elders?**

**A:** The state Senate has proposed a “working families” plan with a tax cut for working families with dependents, and paid family and medical leave.

The tax cut plan would increase the deduction that state taxpayers can claim on line 13 of the state tax form for the care of a disabled or elderly parent or spouse. Currently, you can deduct \$3,600 for a dependent age 65 or over, or disabled person, or a \$7,200 deduction for two dependents. The Senate plan would raise this deduction to \$5,000 for one dependent, and \$10,000 for two dependents for families with incomes up to \$75,000. These deductions lower the amount of income taxed at 5.3%, so the deduction today is worth around \$191 off your taxes, and the Senate plan would lift that to \$265—an increase of \$74 for a family with one dependent. With two dependents, the tax break would increase by \$148.

If you don't claim the line 13 deduction, the Senate proposal also increases the deduction for dependent care expenses you can claim on line 12 of the state tax form. The maximum deduction today for “qualifying expenses” for the care of a disabled dependent or spouse is \$4,800 for one person, \$9,600 for two or more qualifying dependents. The new plan would raise the maximum deduction to \$10,000 for one person, \$15,000 for two or more dependents. This would increase the maximum tax break from \$254 for one dependent, to \$530, a \$276 increase, and a \$286 increase for two dependents. The second plan is a paid family leave benefit, which would allow workers to receive up to 12 weeks of paid leave to care for a sick family member, including a spouse, a parent, or the worker herself. Leave pay would be capped at \$750 a week, so workers earning up to roughly \$39,150 a year could get their full pay during a leave of up to 12 weeks, or up to \$9,000 in one year. This leave would be paid from a trust funded with premiums paid by employees only, not their employers. The typical worker in Massachusetts would pay around \$2 a week into the fund and an employee must have been on the job for the prior 9 months, and worked at least 900 hours for her employer. There is a 5 day waiting period, so workers will have to take unpaid leave or sick/vacation time for those first 5 days.

“This will ensure that when an employer's aging mother suffers a heart attack or stroke, she can be with her parent in the emergency room and help with the recovery.” explained Senate President Robert Travaglini (D-East Boston), who proposed the plan.

“Where I come from, family is the most important thing. Government cannot replace the family's crucial role, but it can support families and offer them the resources to be strong.”

For more background on the “Working Families Initiative” contact [info@masshomecare.org](mailto:info@masshomecare.org).