

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 4118

6 By: West (Tammy)

7 COMMITTEE SUBSTITUTE

8 [family caregiver credit - mileage - expenditures -
9 age - definitions - effective date]
10

11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY Section 2, Chapter 20, 1st
14 Extraordinary Session, O.S.L. 2023 (68 O.S. Supp. 2025, Section
15 2357.801), is amended to read as follows:

16 Section 2357.801. A. As used in this section:

17 1. "Activities of daily living (ADL)" shall include:

- 18 a. ambulating, which is the extent of an individual's
19 ability to move from one position to another and walk
20 independently,
21 b. feeding, which is the ability of an individual to feed
22 oneself,
23 c. dressing, which is the ability to select appropriate
24 clothes and to put the clothes on without aid,

- d. personal hygiene, which is the ability to bathe and groom oneself and maintain dental hygiene and nail and hair care,
- e. continence, which is the ability to control bladder and bowel function, and
- f. toileting, which is the ability to get to and from the toilet without aid, using it appropriately, and cleaning oneself;

2. "Eligible expenditure" shall include:

- a. the improvement or alteration to the family caregiver's or eligible family member's primary residence to permit the eligible family member to live in the residence and to remain mobile, safe, and independent,
- b. the family caregiver's purchase or lease of equipment, including but not limited to durable medical equipment, that is necessary to assist an eligible family member in carrying out one or more activities of daily living (ADL), and
- c. other paid or incurred expenses by the family caregiver that assist the family caregiver in providing care to an eligible family member, such as expenditures related to:
 - (1) hiring a home care aide,

- 1 (2) respite care,
- 2 (3) adult day care,
- 3 (4) personal care attendants,
- 4 (5) health care equipment, and
- 5 (6) technology.

6 The eligible expenditure ~~must~~ shall be directly related to assisting
7 the family caregiver in providing care to an eligible family member.
8 This includes any mileage for driving the eligible family member to
9 and from medical appointments. Calculate the estimated mileage at
10 the IRS standard rate for medical and dental expenses for the
11 applicable tax year. Eligible expenditure shall not include the
12 carrying out of general household maintenance activities such as
13 painting, plumbing, electrical repairs, or exterior maintenance;

14 3. "Eligible family member" shall mean an individual who:

- 15 a. ~~is sixty-two (62) years of age or older,~~
- 16 ~~b.~~ requires assistance with at least two activities of
17 daily living (ADL) as certified by a licensed health
18 care provider, as defined in paragraph 1 of Section
19 3090.2 of Title 63 of the Oklahoma Statutes,
- 20 ~~c.~~
- 21 b. qualifies as a dependent, spouse, parent, or other
22 relation by blood or marriage to the family caregiver,
23 and
- 24 ~~d.~~

1 c. lives in a private residential home and not in an
2 assisted living center, nursing facility, or
3 residential care home; and

4 4. "Family caregiver" shall mean an individual:

5 a. providing care and support for an eligible family
6 member,

7 b. who has a federal adjusted gross income of less than
8 ~~Fifty Thousand Dollars (\$50,000.00)~~ Seventy-five
9 Thousand Dollars (\$75,000.00) for an individual and
10 less than ~~One Hundred Thousand Dollars (\$100,000.00)~~
11 One Hundred Fifty Thousand Dollars (\$150,000.00) for a
12 couple filing jointly, and

13 c. who has personally incurred uncompensated expenses
14 directly related to the care of an eligible family
15 member.

16 B. For taxable years beginning after December 31, 2023, there
17 shall be allowed a credit against the tax imposed pursuant to
18 Section 2355 of Title 68 of the Oklahoma Statutes in the amount of
19 fifty percent (50%) for eligible expenditures incurred by a family
20 caregiver for the care and support of an eligible family member.

21 C. The maximum allowable credit authorized by this section
22 shall be ~~Two Thousand Dollars (\$2,000.00)~~ unless the eligible family
23 ~~member is a veteran or has a diagnosis of dementia in which case the~~
24 ~~maximum allowable credit shall be~~ Three Thousand Dollars

1 (\$3,000.00). If two or more family caregivers claim the tax credit
2 authorized by this section for the same eligible family member, the
3 maximum allowable credit shall be allocated in equal amounts between
4 each of the family caregivers.

5 D. The credit authorized by this section ~~may~~ shall not be used
6 to reduce the tax liability of the taxpayer to less than zero (0).
7 The credit shall not be carried over.

8 E. The total credits authorized pursuant to this section for
9 all taxpayers shall not exceed One Million Five Hundred Thousand
10 Dollars (\$1,500,000.00) annually. In the event the total tax
11 credits authorized by this section exceed One Million Five Hundred
12 Thousand Dollars (\$1,500,000.00) annually in any calendar year, the
13 Oklahoma Tax Commission shall permit any excess over One Million
14 Five Hundred Thousand Dollars (\$1,500,000.00) annually, but shall
15 factor such excess into the percentage adjustment formula for
16 subsequent years. The Oklahoma Tax Commission shall annually
17 calculate and publish by the first day of the affected year a
18 percentage by which the credits authorized by this section shall be
19 reduced so the total amount of credits used to offset tax does not
20 exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00)
21 annually per year. The formula to be used for the percentage
22 adjustment shall be One Million Five Hundred Thousand Dollars
23 (\$1,500,000.00) annually divided by the credits claimed in the
24 second preceding year.

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F. The Oklahoma Tax Commission shall promulgate rules necessary to implement and administer the credit authorized by this section.

SECTION 2. This act shall become effective November 1, 2026.

60-2-16973 JM 03/04/26