

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 4118

By: West (Tammy)

AS INTRODUCED

An Act relating to the family caregiver credit; amending Section 2, Chapter 20, 1st Extraordinary Session, O.S.L. 2023 (68 O.S. Supp. 2025, Section 2357.801), which relates to the family caregiver credit; adding mileage to eligible expenditures; removing the age requirement for eligible family member; and providing an effective date.

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

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

Section 2357.801. A. As used in this section:

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

- a. ambulating, which is the extent of an individual's ability to move from one position to another and walk independently,
- b. feeding, which is the ability of an individual to feed oneself,

- c. dressing, which is the ability to select appropriate 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

1 providing care to an eligible family member, such as  
2 expenditures related to:

- 3 (1) hiring a home care aide,
- 4 (2) respite care,
- 5 (3) adult day care,
- 6 (4) personal care attendants,
- 7 (5) health care equipment, and
- 8 (6) technology.

9 The eligible expenditure must be directly related to assisting the  
10 family caregiver in providing care to an eligible family member.

11 This includes any mileage for driving the eligible family member to  
12 and from medical appointments. Calculate your estimated mileage at  
13 the IRS standard rate for medical and dental expenses for the  
14 applicable tax year. Eligible expenditure shall not include the  
15 carrying out of general household maintenance activities such as  
16 painting, plumbing, electrical repairs, or exterior maintenance;

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

- 18 a. ~~is sixty-two (62) years of age or older,~~
- 19 ~~b.~~ requires assistance with at least two activities of  
20 daily living (ADL) as certified by a licensed health  
21 care provider, as defined in paragraph 1 of Section  
22 3090.2 of Title 63 of the Oklahoma Statutes,

23 ~~c.~~

1        b.    qualifies as a dependent, spouse, parent, or other  
2                    relation by blood or marriage to the family caregiver,  
3                    and

4        ~~d.~~

5        c.    lives in a private residential home and not in an  
6                    assisted living center, nursing facility, or  
7                    residential care home; and

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

9            a.    providing care and support for an eligible family  
10                   member,

11          b.    who has a federal adjusted gross income of less than  
12                   Fifty Thousand Dollars (\$50,000.00) for an individual  
13                   and less than One Hundred Thousand Dollars  
14                   (\$100,000.00) for a couple filing jointly, and

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

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

23        C.    The maximum allowable credit authorized by this section  
24 shall be Two Thousand Dollars (\$2,000.00) unless the eligible family

1 member is a veteran or has a diagnosis of dementia in which case the  
2 maximum allowable credit shall be Three Thousand Dollars  
3 (\$3,000.00). If two or more family caregivers claim the tax credit  
4 authorized by this section for the same eligible family member, the  
5 maximum allowable credit shall be allocated in equal amounts between  
6 each of the family caregivers.

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

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

1 (\$1,500,000.00) annually divided by the credits claimed in the  
2 second preceding year.

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

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

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