

Testimony in Support of HB-7241
An Act Relating to Taxation – The Rhode Island Family Caregiver Tax
Credit Act Temporary
House Committee on Finance
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Kavya Gopinath, Policy Analyst, Economic Progress Institute

The Economic Progress Institute strongly supports Representative Donovan’s HB-7241, which would help families provide care by creating a tax credit for eligible expenses incurred for care and support of an eligible family member. Single-filers earning under \$50,000 a year and joint-filers earning under \$100,000 a year would be eligible for this credit. The maximum credit amount would be \$1,000.

No one should have to choose between their economic security and caring for their family. According to a new AARP report, 155,000 Rhode Islanders provide care for adults, contributing 111 million hours of care every year, adding up to a cost of \$2.8 billion in labor.¹ Most of this work is unpaid, but remains an essential part of our state’s long-term care system. This unpaid labor helps millions of older adults live at home instead of having to rely on expensive institutional care.

A family caregiver tax credit helps families to care for their loved ones by reducing their tax burden and providing them with much needed financial relief. Families can receive the credit for eligible expenses such as hiring a home care aid, temporary respite care, health care equipment, adult day care, personal care attendants, and technology. The cost of caring for a loved one can add up, and when Rhode Island is already facing an affordability crisis, a \$1,000 credit would go a long way in helping families provide care that their loved ones need. **The Economic Progress Institute strongly supports passage of HB-7241.**

¹ [AARP – Rhode Island Caregivers are Invaluable](#)