

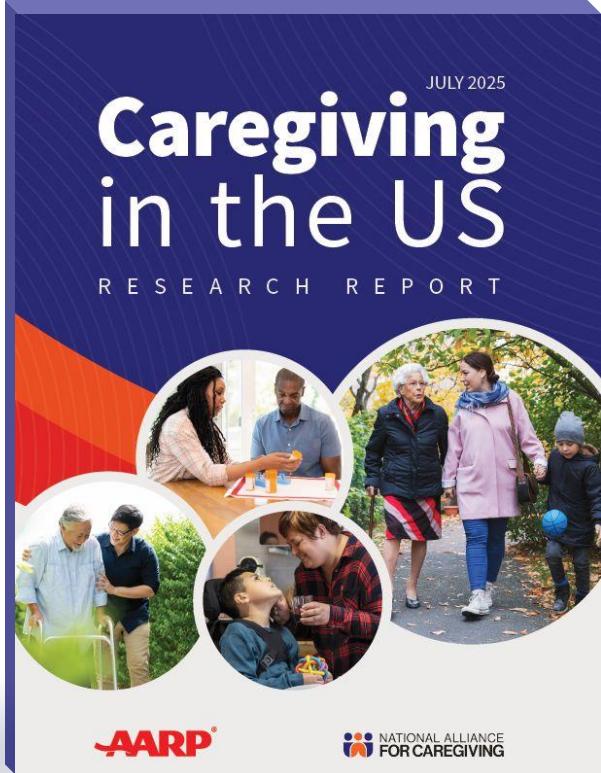


Bridging Tax Policy & Real Life: Supporting America's Working Family Caregivers

Wednesday, November 12, 2025

Welcome

- This webinar is being recorded.
- Use the Q&A function at the top of the screen to submit questions. We will answer questions at the end of the webinar.
- If you experience technical difficulties, please email kchung@aarp.org.



About *Caregiving in the US*

AARP and the National Alliance for Caregiving issue the ***largest, most comprehensive*** snapshot of family caregiving in the country.

- It was first conducted in 1997.
- Since 2004, the survey has been fielded every 5 years.

What we **measure**.



Why this matters: Family caregivers are the backbone of care in America.



Understanding **who they are** and
what they need is essential to
shaping **policy, benefits** and
workplace practices.

Caregiving is a **national reality**.

A dramatic **45% increase** since 2015.

20 million more family
caregivers since 2015—
a nearly 50% increase

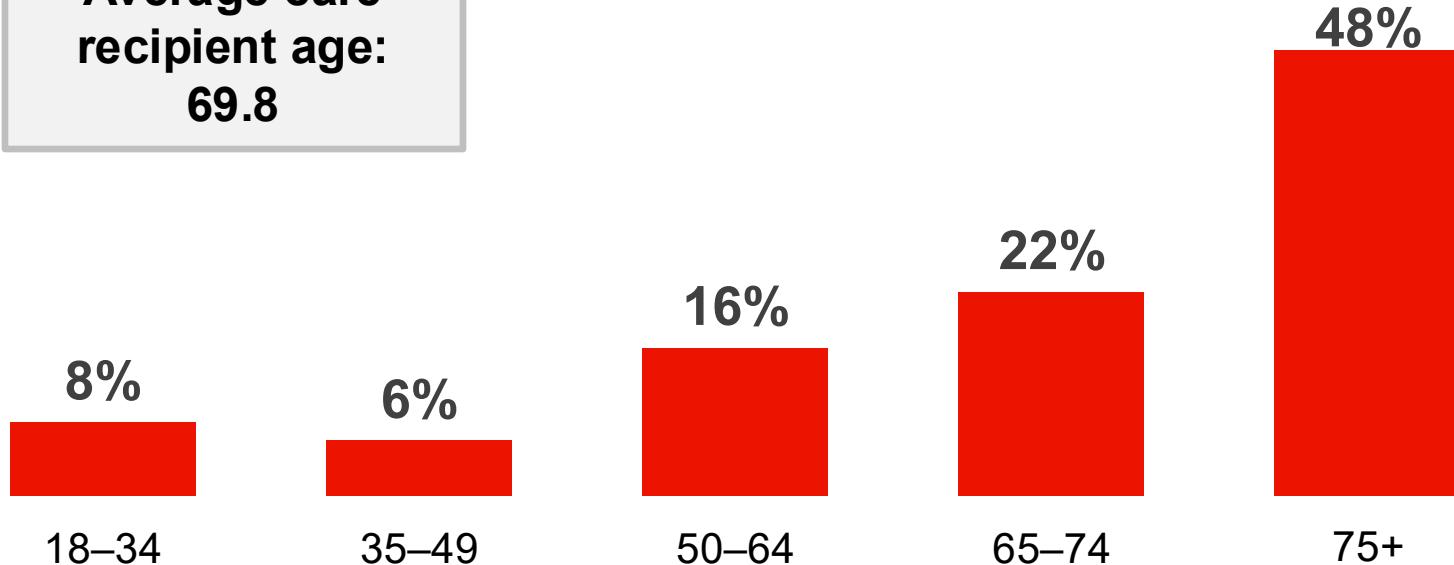
63 million Americans
are family caregivers—that's **1 in 4**
adults

Family caregivers in millions

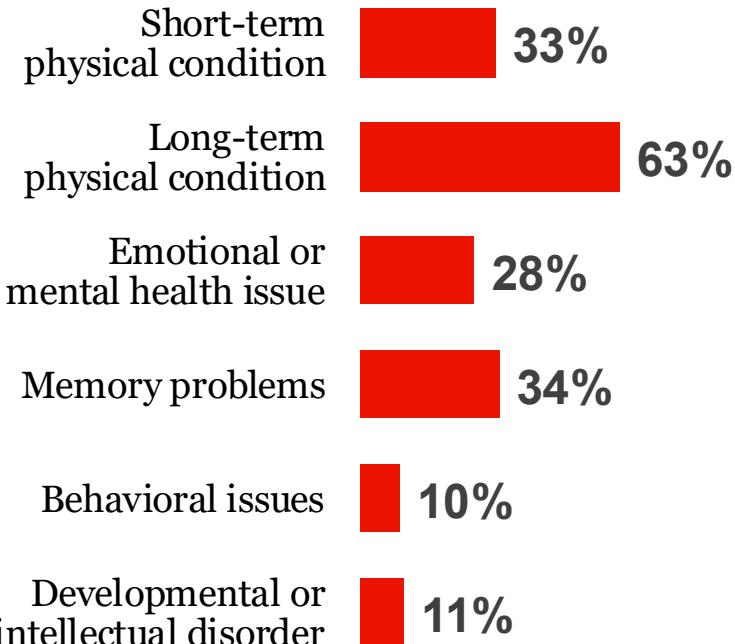


Family caregivers provide care to family, friends, and relatives across **all stages of life.**

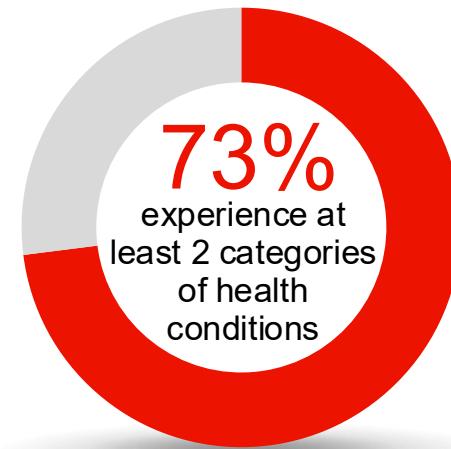
**Average care
recipient age:
69.8**



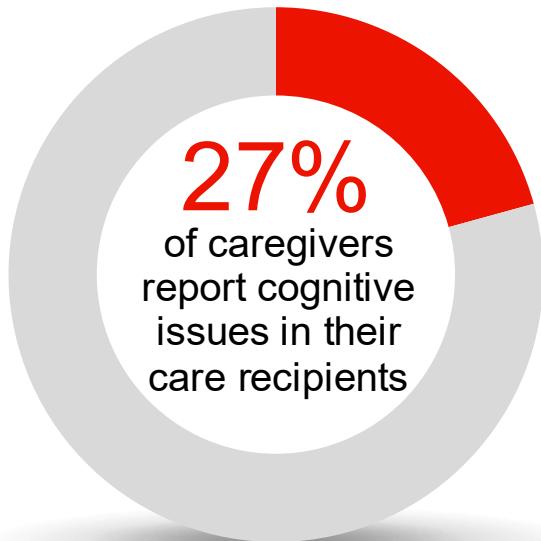
Conditions that require care.



Respondents may select more than one response; results may exceed 100%.



Dementia and cognitive conditions **intensify** caregiving needs.



11%
care for someone
with Alzheimer's
or related dementia
as their primary
condition

Cognitive conditions are also secondary illnesses	
3%	Alzheimer's disease
1%	Lewy body dementia
1%	Frontotemporal dementia (FTD)
2%	Vascular dementia
13%	Other cause of cognitive impairment

Caregiving carries **emotional** and **physical** tolls.

Emotional stress of caregiving



Nearly two-thirds of caregivers report moderate or high emotional stress

Physical strain of caregiving



Almost one in five experience moderate or high physical strain

Sandwich generation.

- Sandwich generation caregivers have a child or grandchild under 18 at home **while caring for an adult** with a disability or complex medical condition.
- Almost **one-third** of all family caregivers are sandwich generation caregivers.



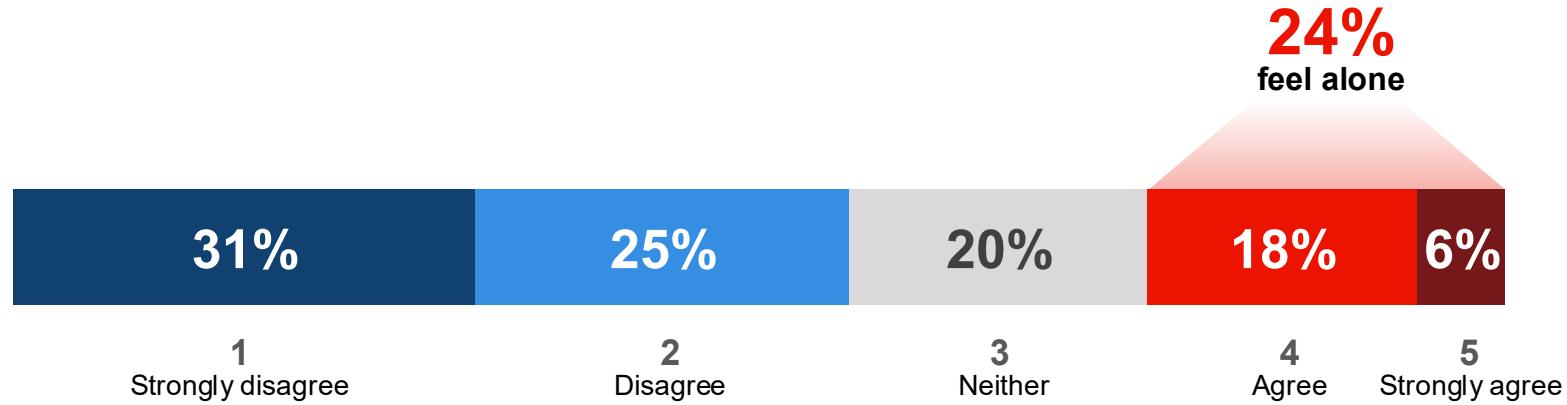


**Millions of children
are part of family
caregiving.**

About 4 million children
under 18 help care for an adult.

Caregiving can be **isolating**.

Nearly 1 in 4 family caregivers report feeling alone—**an increase since 2020**.



Family caregivers provide **crucial support** for daily living.

Activities of Daily Living (ADLs)

- ✓ Bathing
- ✓ Dressing
- ✓ Feeding
- ✓ Toileting
- ✓ Mobility

Instrumental Activities of Daily Living (IADLs)

- ✓ Managing finances
- ✓ Preparing meals
- ✓ Shopping
- ✓ Housekeeping
- ✓ Transportation



**Family caregivers
are taking on clinical responsibilities.**

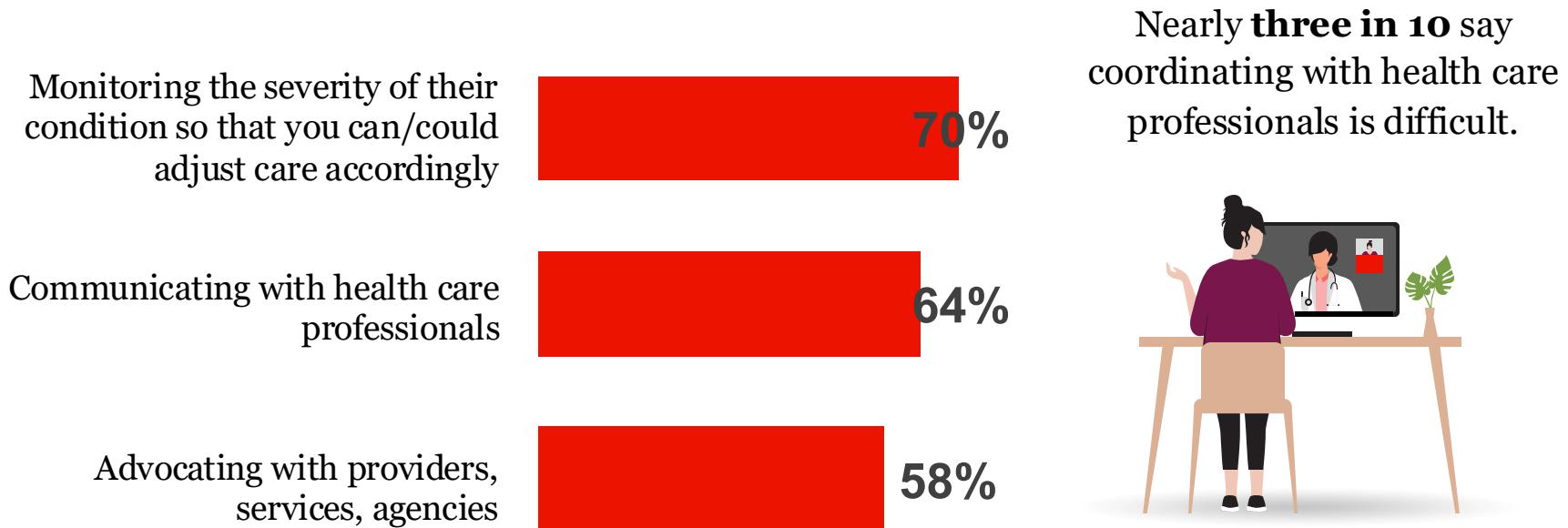
55% of caregivers handle medical/nursing tasks at home, such as managing catheters, performing injections, or monitoring vital signs.

Only **22%** receive training.

96% of caregivers who received training said it prepared them well.

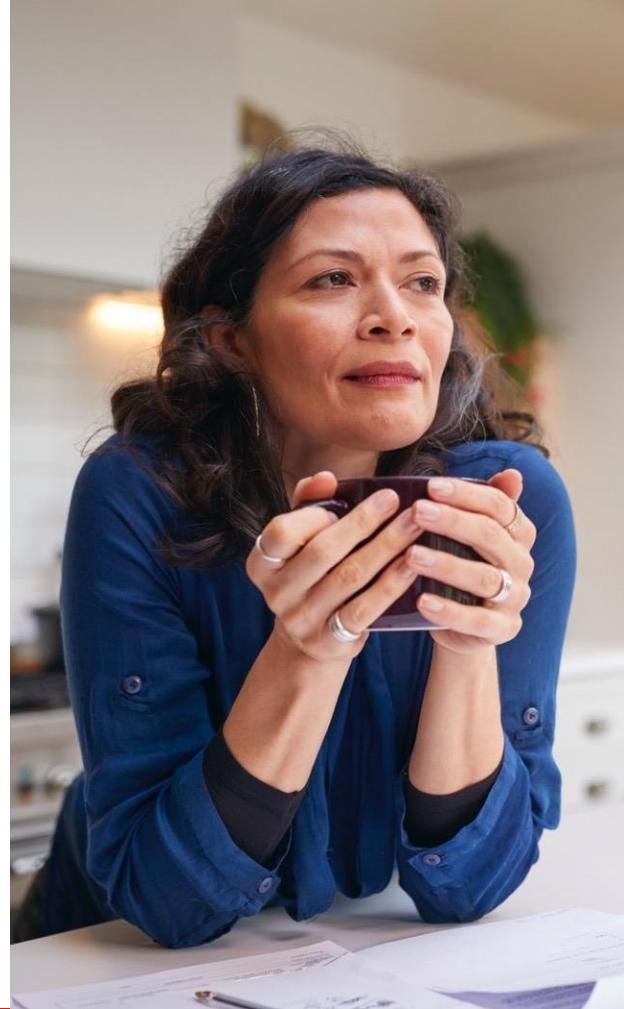
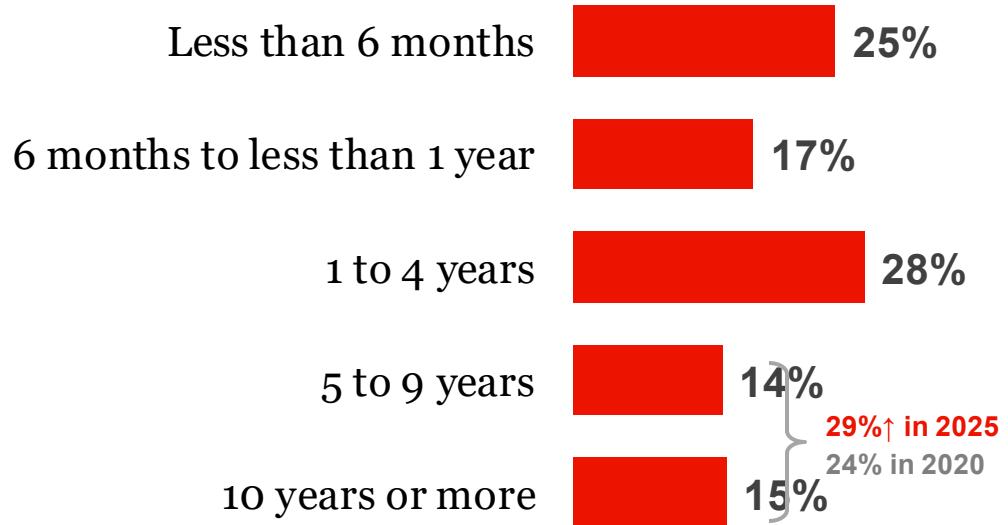


Family caregivers are **key players** in health care coordination.



Family caregiving is a **long-term** commitment for many people.

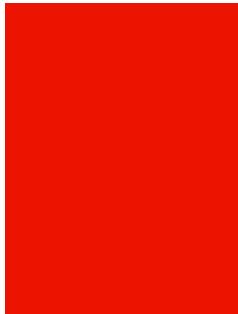
The average duration of care is **5.5 years**.



7 in 10 working-age family caregivers **hold paid jobs.**

More employed caregivers are paid hourly than salaried.

53%



Hourly

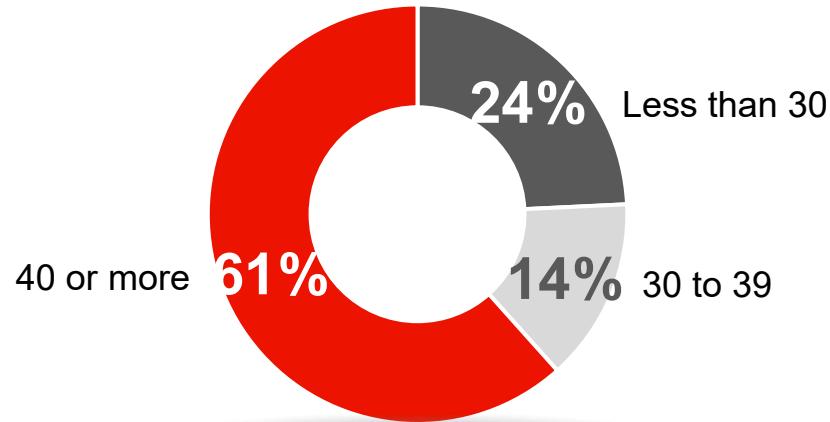
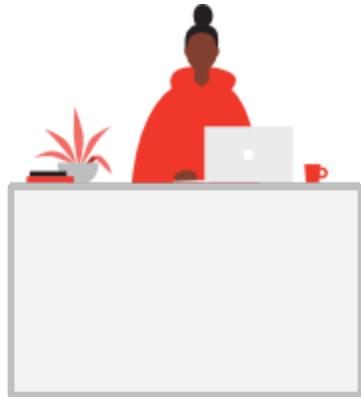
40%



Salaried



3 out of 5 family caregivers work 40 hours or more—in addition to caregiving.



Working while caregiving is emotionally and financially **straining.**

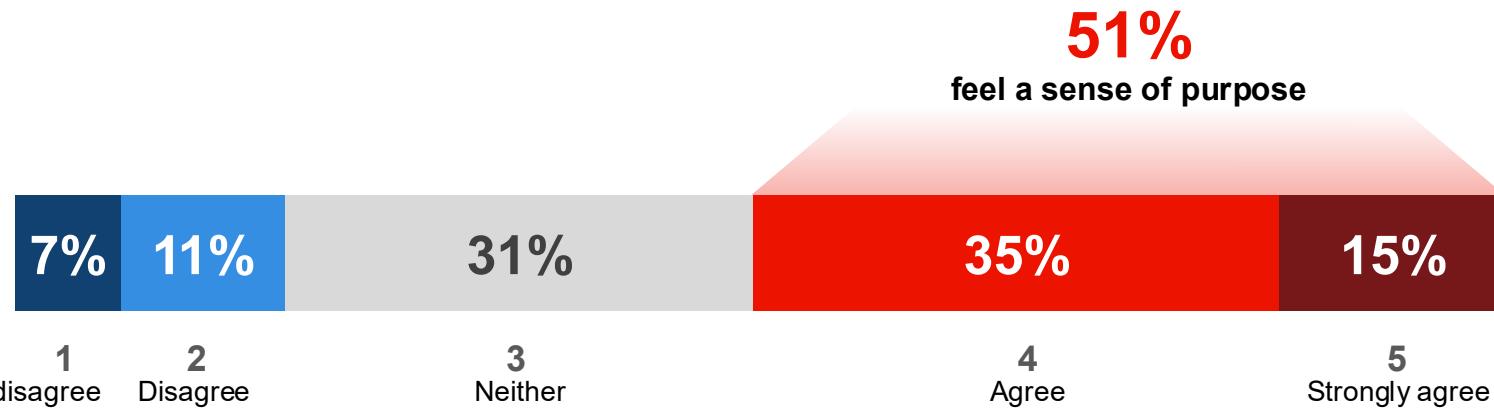
Working family caregivers are more likely to feel alone.

They also experience more negative financial impacts.

	Take on debt	Use up short-term savings	Leave bills unpaid or pay them late	Use up long-term savings	Move to a less-expensive home
Working caregivers	22%	31%	19%	17%	9%
Non-working caregivers	17%	20%	17%	13%	6%

Caregiving is difficult—but also **rewarding**.

51% said caregiving gives their life a **sense of purpose or meaning**.



New insights in 2025: State-level samples

Level of reporting:



= A state-level incidence rate of caregiving + all items in the CGUS survey at the state level

AZ, AL, CA, CO, CT, FL, GA, IL, IN, IA, KS, KY, LA, MD, MA, MI, MN, MO, NJ, NY, NC, OH, OK, OR, PA, SC, TN, TX, UT, VA, WA, WI



= A state-level incidence rate of caregiving with some caveats where sample size is small

AK, AR, DE, HI, ID, ME, MS, MT, NE, NH, NM, NV, ND, RI, SD, VT, WV, WY, DC

Where you live shapes the caregiving experience.

Nearly 3 in 10 family caregivers say it's difficult to find services in their community (e.g., delivered meals, transportation, or in-home health services)

Percentage of caregivers who say it's "very difficult" to get affordable services in their community:



34%

Rural



27%

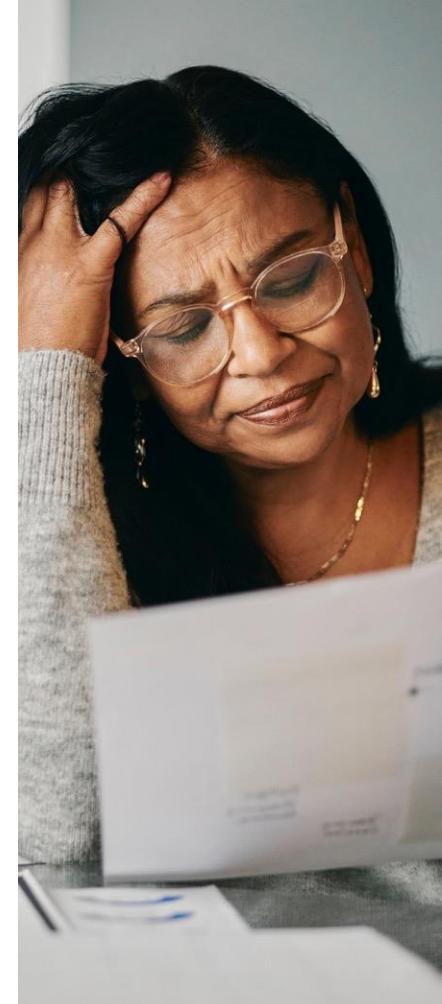
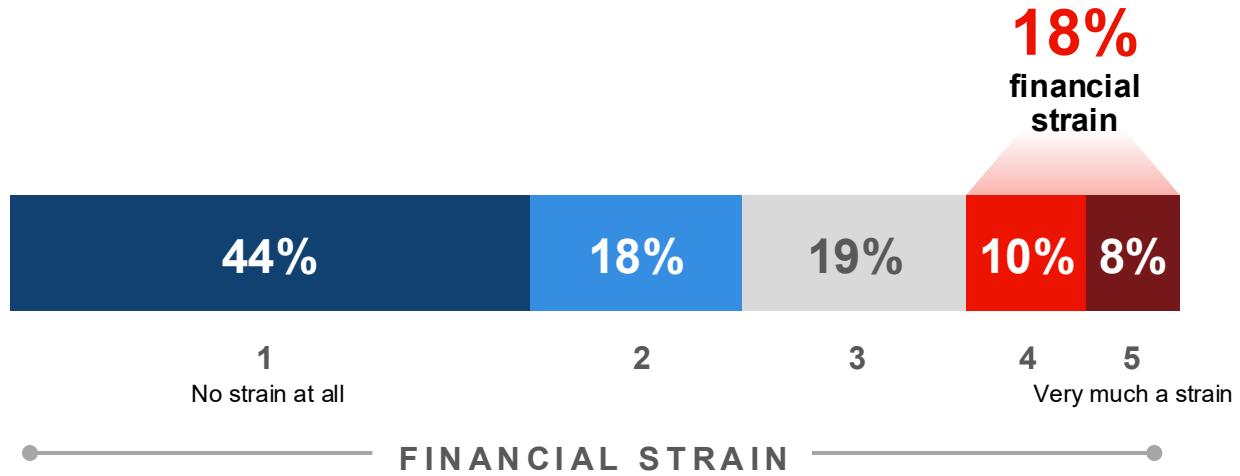
Urban



26%

Suburban

1 in 5 family caregivers report **high financial strain** from caregiving.

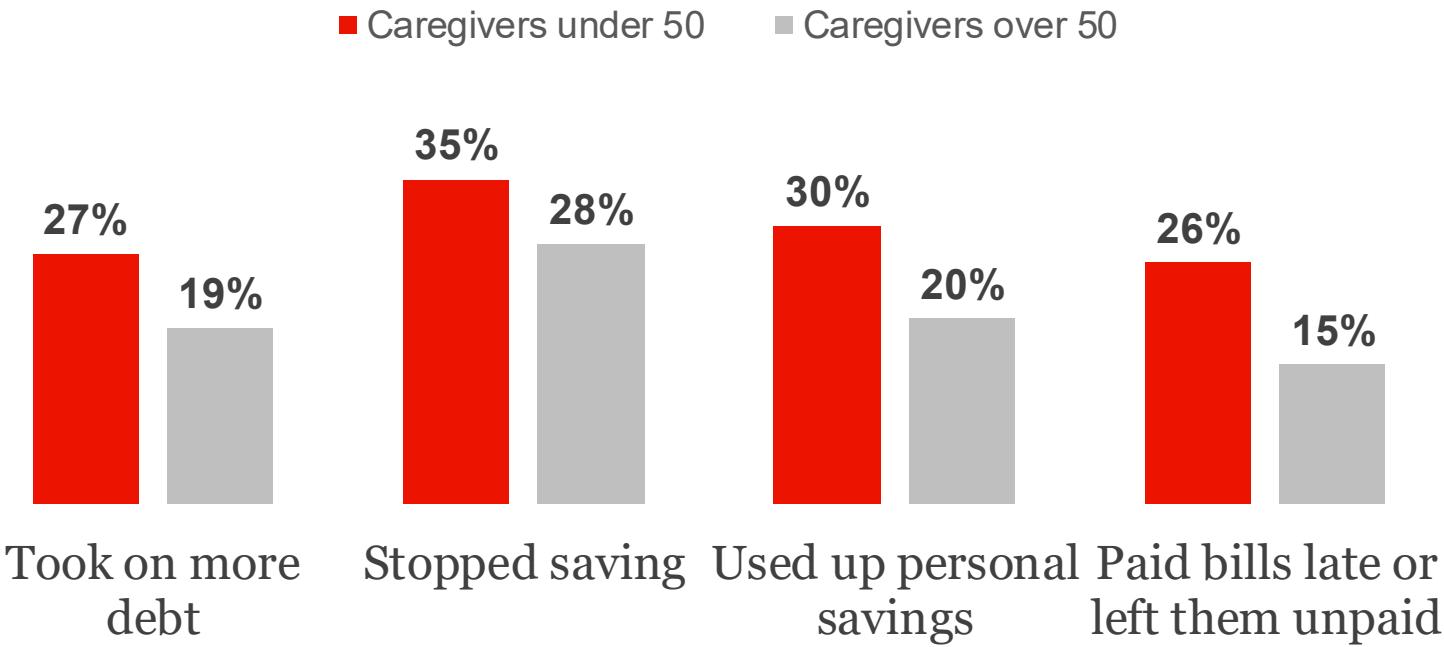


For many, caregiving means hard trade-offs and **lost income**.

On average, family caregivers experience **two negative financial consequences**.

Saving	Debt	Bills or expenses	Work	Home
<ul style="list-style-type: none">• Stopped saving• Used up short-term savings• Used up long-term savings	<ul style="list-style-type: none">• Took on more debt• Borrowed money from family or friends• Missed or made late student loan payments• Filed for bankruptcy	<ul style="list-style-type: none">• Left bills unpaid or paid late• Was unable to afford basic expenses like food	<ul style="list-style-type: none">• Had to start working, work more, or find a second job• Put off retirement or decided to never retire	<ul style="list-style-type: none">• Moved into a less expensive living arrangement• Was evicted or foreclosed on their home

Some caregivers experience **more negative** financial consequences than others.



Financial strain hits lower-income family caregivers hardest.



Was unable to afford basic expenses like food

Stopped saving

Used up personal short-term savings

Used long-term savings

Lower-income caregivers

28%

45%

35%

19%

Caregivers with income >\$50K

8%

31%

24%

13%

Caregiving has **intensified** over the past decade.

- **44 million** American adults were family caregivers in 2015 (18%)
- **63 million** in 2025 (24%)
- 30% have been caregiving for **5+ years**
- Caregivers are helping with **more ADLs**

Caregivers need support to meet this critical national need.



Sharon and Chuck Zimmer





Credit for Caring Act S.925/H.R. 2036

AARP urges passage of the bipartisan Credit for Caring Act

Sponsors: Senators Shelley Moore Capito and Michael Bennet & Representatives Mike Carey and Linda Sánchez

Family caregivers are the backbone of the U.S. care system. They help parents, spouses, and other loved ones live independently in their homes, providing billions of hours annually in unpaid labor and saving taxpayers billions. One in four adults are family caregivers. Without caregivers' support, many Americans would be forced into costly nursing homes with the government and taxpayers paying the bill.

Family Caregiving Can Cause a Financial Strain

Nearly eight in ten family caregivers (78%) incur out-of-pocket caregiving costs – on average, over \$7,200 annually on care-related expenses, or about 25% of their income on average. Nearly half of family caregivers experienced at least one negative financial impact, such as stopping saving or using up short-term savings, taking on more debt, leaving bills unpaid or paying them late, borrowing money from family and friends, or struggling to afford basics like food. Too often, employed caregivers leave the workforce or reduce their hours due to caregiving, resulting in a loss of income, retirement savings benefits, and career mobility. Hispanic/Latino and African American caregivers report greater financial strain.

How the Credit for Caring Act Would Help

The Credit for Caring Act would help working family caregivers offset the cost of some caregiving expenses such as in-home care aide, adult day services, home modifications, assistive technology, respite care, transportation, or other supports that help them and their loved ones. Eligible family caregivers assisting loved ones of all ages could receive the credit if the care recipient meets certain functional or cognitive limitations or other requirements certified by a licensed healthcare practitioner. Caregivers would need to be working and document qualified expenses. Eighty-four percent of voters support a federal tax credit for working family caregivers.

The credit amount would be 30% of the qualified expenses paid or incurred by the caregiver above \$2,000, up to a maximum credit amount of \$5,000. Individuals with higher incomes would be ineligible for the tax credit. The bill includes provisions to prevent double-dipping with existing federal tax provisions. The bill, unlike the existing child and dependent care credit, would help family caregivers who care for non-dependents or who do not live with the person they are assisting.



63 million
Number of family caregivers



\$7,200
Average annual routine out-of-pocket expenses for family caregivers



\$1.7 trillion
Additional amount U.S. GDP could grow in 2030 if family caregivers age 50-plus have access to support in the workplace



www.aarp.org/Careforcaregivers

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Credit for Caring Act S. 925/H.R. 2036

- **Introduced on March 11, 2025**
- **Proposes a federal tax credit of up to \$5,000 for eligible working family caregivers**
- **Click here to learn more about the Credit for Caring Act**



Lowering Costs for Caregivers Act

S. 1565/H.R. 138

AARP urges passage of the bipartisan Lowering Costs for Caregivers Act.

Sponsors: Sens. Jacky Rosen (D-NV) & Bill Cassidy (R-LA)

Reps. Vern Buchanan (R-FL) & Mike Thompson (D-CA)

Family caregivers are the backbone of the U.S. care system. They help parents, spouses, and other loved ones live independently in their homes, providing billions of hours annually in unpaid labor and saving taxpayers billions. One in four adults are family caregivers. Without caregivers' support, many Americans would be forced into costly nursing homes with the government and taxpayers paying the bill.

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How the Lowering Costs for Caregivers Act Would Help

The Lowering Costs for Caregivers Act would allow for any family caregiver who owns a pre-tax health expense payment account (health savings account, flexible spending account, health reimbursement account, and Archer medical savings account) to use the dollars in that account for the qualified medical expenses of their parents or parents-in-law – in addition to the individual's spouse and dependents, as allowed under current law.

This bill would be an important step to help alleviate the financial challenges that millions of family caregivers experience every day, especially the increasing number of "sandwich generation" caregivers who are simultaneously caring for their parents and their own children. Providing some financial relief will help reduce the overall stress family caregivers face and help them continue in this important role.



63 Million

Number of family caregivers



\$7,242

Average annual routine out-of-pocket expenses for family caregivers



Nearly Half

Of family caregivers experienced at least one negative financial impact



www.aarp.org/Careforcaregivers

Lowering Costs for Caregivers Act

S. 1565/H.R. 138

- Proposes to allow expenses incurred for the care of parents or parents-in-law to be treated as qualified medical expenses for tax-advantaged accounts like HSAs, FSAs, and HRAs
- [Click to learn more about the Lowering Costs for Caregivers Act](#)



Questions?

Use the Q&A function at the top of the screen to submit your questions.



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JOIN US TO

SIP, CELEBRATE, SUPPORT

A TOAST TO FAMILY CAREGIVERS

NOVEMBER 18TH

5:30-7:00 PM

RESERVE OFFICERS ASSOCIATION
ONE CONSTITUTION AVE, NE

In honor of National Family Caregivers Month, join us for an inspiring reception as we celebrate the dedication of family caregivers and explore the future of aging well, caregiving, and independent living.

The reception will feature refreshments, interactive exhibits, and a showcase of current and emerging innovations designed to support caregivers and older adults.



Celebrate National Family Caregivers Month on the Hill

Click here to register