

104TH CONGRESS
1ST SESSION

S. 1216

To amend the Internal Revenue Code of 1986 to provide a tax credit for individuals who provide care in their home for certain individuals in need, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 6 (legislative day, SEPTEMBER 5), 1995

Mr. COATS introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide a tax credit for individuals who provide care in their home for certain individuals in need, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Compassion Credit
5 Act”.

1 **SEC. 2. CREDIT FOR CHARITABLE CONTRIBUTIONS TO IN-**
2 **DIVIDUALS PROVIDING HOME CARE TO CER-**
3 **TAIN INDIVIDUALS IN NEED.**

4 (a) IN GENERAL.—Subpart A of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 (relating to nonrefundable personal credits) is
7 amended by inserting after section 22 the following new
8 section:

9 **“SEC. 23. CREDIT FOR HOME CARE FOR NEEDY INDIVID-**
10 **UALS.**

11 “(a) IN GENERAL.—In the case of an individual,
12 there shall be allowed as a credit against the tax imposed
13 by this chapter for a taxable year an amount equal to
14 \$500 for each eligible individual.

15 “(b) ELIGIBLE INDIVIDUAL.—For purposes of this
16 section—

17 “(1) IN GENERAL.—The term ‘eligible individ-
18 ual’ means an individual—

19 “(A) who is a member of a class of individ-
20 uals described in paragraph (2), and

21 “(B) to whom the taxpayer provides quali-
22 fied home care services which are required by
23 the individual by reason of being a member of
24 such a class.

25 “(2) NEEDY INDIVIDUALS.—The classes of indi-
26 viduals described in this paragraph are as follows:

1 “(A) Unmarried pregnant women.

2 “(B) Hospice care patients, including
3 AIDS patients and cancer patients.

4 “(C) Homeless individuals.

5 “(D) Battered women and battered women
6 with children.

7 “(3) QUALIFIED HOME CARE SERVICES.—The
8 term ‘qualified home care services’ means those serv-
9 ices which the taxpayer is certified as being qualified
10 to provide to an eligible individual by an organiza-
11 tion—

12 “(A) which is described in section
13 501(c)(3) and exempt from tax under section
14 501(a), and

15 “(B) the predominant activity of which is
16 providing care to one or more classes of eligible
17 individuals.”

18 (b) CLERICAL AMENDMENT.—The table of sections
19 for subpart A of part IV of subchapter A of chapter 1
20 of the Internal Revenue Code of 1986 is amended by in-
21 serting after the item relating to section 22 the following
22 new item:

 “Sec. 23. Credit for home care for needy individuals.”

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 1995.

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