



May 13, 2025

The Honorable Jason Smith  
Chairman  
Committee on Ways & Means  
U.S. House of Representatives  
1139 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Richard Neal  
Ranking Member  
Committee on Ways & Means  
U.S. House of Representatives  
1129 Longworth House Office Building  
Washington, D.C. 20515

Dear Chairman Smith and Ranking Member Neal,

On behalf of AARP, which advocates for the more than 100 million Americans age 50 and older, we write to share our views on the tax provisions included in the legislation before the Committee.

AARP applauds the Committee for including an increase to the bonus standard deduction for seniors. This is a very important measure that will provide meaningful tax relief to older Americans. This provision reflects real progress in addressing a long-overdue issue: the outdated income thresholds that have left millions of retirees paying taxes on their hard-earned Social Security benefits. With these thresholds unchanged for more than 40 years, seniors are increasingly burdened—especially as they face rising costs for housing, health care, and family caregiving. Based on the *Bonus Tax Relief for America's Seniors Act*, which AARP has endorsed, this step represents a welcome recognition of the financial challenges facing older adults today.

For millions of older taxpayers, it will help ensure more of their Social Security benefits stay in their pockets—where they belong. We encourage the Committee to continue building on this momentum and ensure this critical relief remains in the final package.

AARP also supports the extension and enhancement of Section 45S employer tax credits for paid family and medical leave included in this bill. This provision offers meaningful support for working family caregivers and helps create workplace policies that recognize the growing need to balance work and family obligations. We strongly support efforts to expand access to paid leave and believe the changes to 45S, including its increased applicability and improved flexibility for employer participation, is a good step forward.

We also appreciate the Committee's inclusion of provisions to expand the Low-Income Housing Tax Credit, representing the most significant investment in these credits in decades. This expansion will help ensure that hundreds of thousands of families, and the growing number of adults living on fixed incomes, can access safe, stable, and affordable homes. Housing is foundational to health, financial security, and independence, and this investment reflects a critical step toward meeting the evolving needs of older Americans.

We look forward to working with you to build upon these provisions to further benefit older

Americans. For example, we urge the Committee to add provisions like the *Credit for Caring Act* and the *Lowering Costs for Caregivers Act* that could help Americans who have taken on expensive family caregiving responsibilities, often to keep their loved ones out of more expensive, government-funded facilities. We also urge Congress to reinstate the casualty and theft loss deduction and make it retroactive to 2018. Under current law, victims of serious financial crimes can discover they owe significant taxes on the money that has been stolen from them.

While we support the Committee's aims to eliminate fraud and improve efficiencies in the administration of advanced premium tax credits, we are concerned that changes to automatic re-enrollment could lessen continuity of coverage and create unnecessary challenges for many of the 5 million Americans aged 50-64 who rely on coverage from the Marketplaces.

As this process continues, we urge Congress to prioritize tax policies that reflect the realities facing today's older Americans: rising costs, significant caregiving responsibilities, and the need for financial stability in retirement. AARP looks forward to working with you to advance a tax code that meets the needs of older Americans.

Sincerely,



Bill Sweeney

Senior Vice President, Government Affairs  
AARP