

Senior Medical Deduction Reform Key Elements

- Change eligibility to a per taxpayer basis.
- Convert from itemized deduction to subtraction.
- Establish subtraction schedule based on income:
 - Subtraction = \$1,800 if income is less than \$25,000 for single filers or \$50,000 for joint filers
 - Subtraction = \$1,400 if income is between \$25,000 and \$50,000 for single filers or between \$50,000 and \$100,000 for joint filers.
 - Subtraction = \$1,000 if income is between \$50,000 and \$100,000 for single filers or between \$100,000 and \$200,000 for joint filers.
 - Subtraction = 0 if income is greater than \$100,000 for single filers or \$200,000 for joint filers.
- Gradually adjust age eligibility up to:
 - 63 in 2014
 - 64 in 2016
 - 65 in 2018
 - 66 in 2020

LRO: 6-26-13