

Disability and Health Care Related Tax Credits



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Tax Credits for:

- Severe Disability – HB 2119
- Loss of Limbs – HB 2120
- Elderly or Disabled – HB 2121
- Child with a Disability – HB 2122
- Long-term Care Insurance – HB 2123
- Costs in-lieu of Nursing Home Care – HB 2124

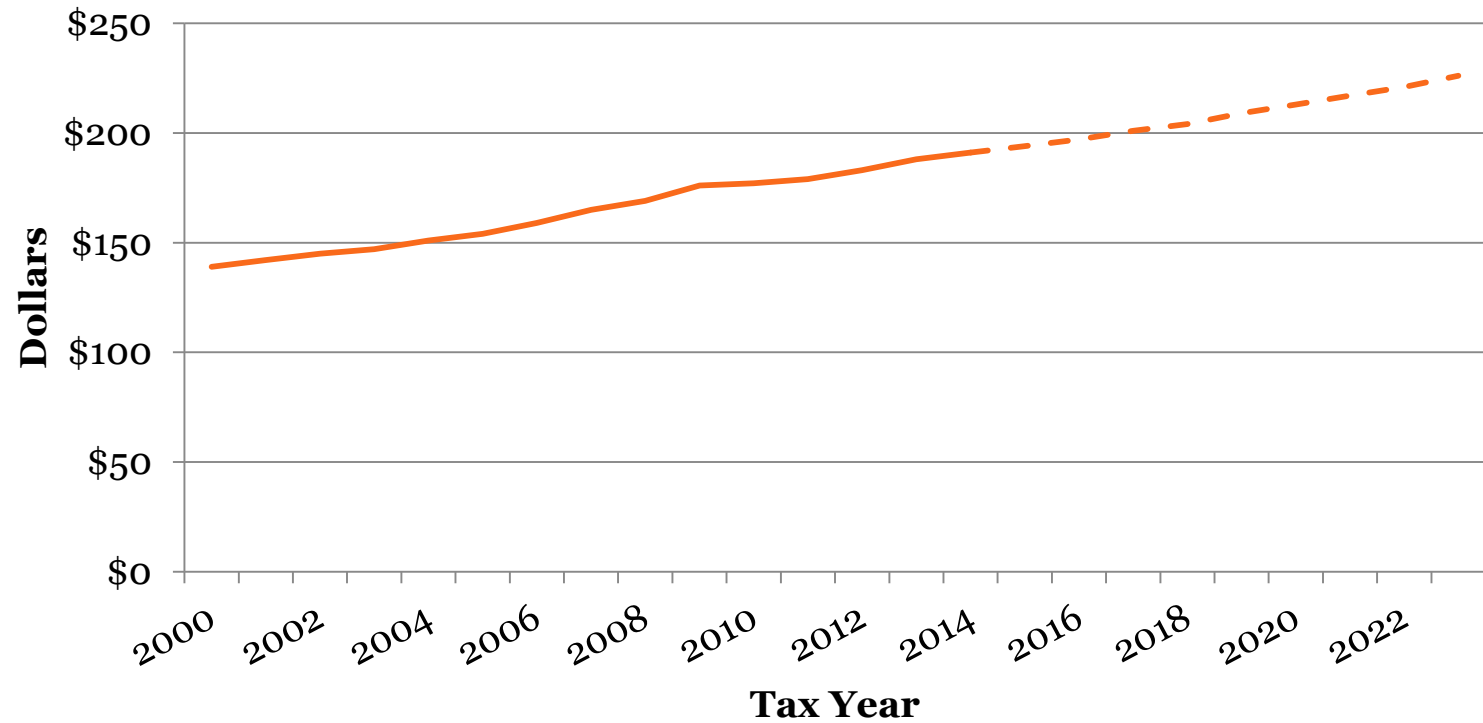
Disability Tax Credits

- Severe Disability
 - Lost use of at least one leg, both hands, unable to engage in any substantial gainful activity, has physical/mental condition limiting their ability to earn a living, maintain a household, or provide personal transportation
 - Additional Personal Exemption Tax Credit (\$183 in 2012)
- Loss of Limbs
 - Lost use of both legs, both arms, or one leg and one arm
 - \$50 for qualified taxpayer and spouse

Disability Tax Credits (cont.)

- Elderly or Disabled
 - Age 65 or older; or
 - Retired on permanent and total disability and receiving taxable disability income
 - 40% of Federal credit
- Child with a Disability
 - Dependent who is eligible for early intervention services or special education
 - Additional Personal Exemption Tax Credit (\$183 in 2012)

Personal Exemption Tax Credit



— History

- - - Forecast

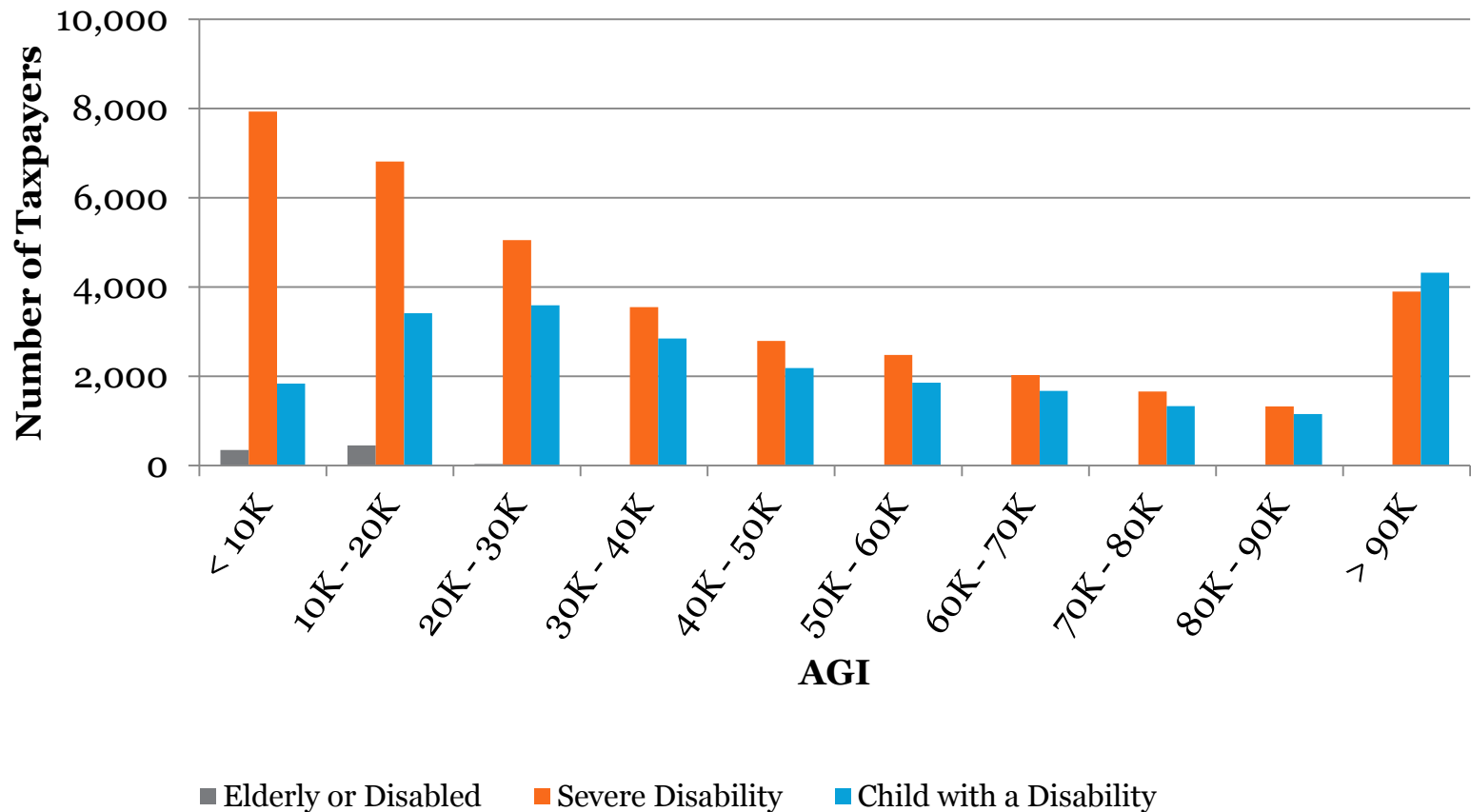
Summary Impacts of Disability Credits

Tax Year 2012, Full-year Filers

	Claimants	Total Claimed (\$M)	Total Used (\$M)	Mean Claimed (\$)	Mean Used (\$)
Severe Disability	40,060	\$7.4	\$5.0	\$184	\$124
Child with a Disability	26,183	\$5.2	\$4.5	\$199	\$172
Elderly or Disabled	1,311	\$0.2	\$0.1	\$182	\$57
Loss of Limbs	416	\$0.0	\$0.0	\$50	\$32

Disability Tax Credit Claimants

Tax Year 2012, Full-year Filers



Health Care Tax Credits

- Long-term Care Insurance
 - **Personal**
 - Coverage of the taxpayer, dependent, parent of taxpayer
 - Lesser of 15% of premiums or \$500
 - **Business**
 - Coverage of employees
 - Lesser of 15% of premiums or \$500 per covered employee
- Costs in-lieu of Nursing Home Care
 - **Eligible taxpayer**
 - Person who incurs expenses and has income up to \$17,500
 - **Qualified individual**
 - Age 60 or older with income up to \$7,500
 - **Lesser of 8% of expenses or \$250**

Long-term Care Insurance Claimants

Tax Year 2012, Full-year Filers

