

2015 JOINT COMMITTEE ON TAX CREDITS

78th Legislative Assembly

Health Care Tax Credits

Tax Expenditures 1.407 & 1.408

2016 Expiring Tax Credits: pages 26-33

Senate Bills: 38 & 39

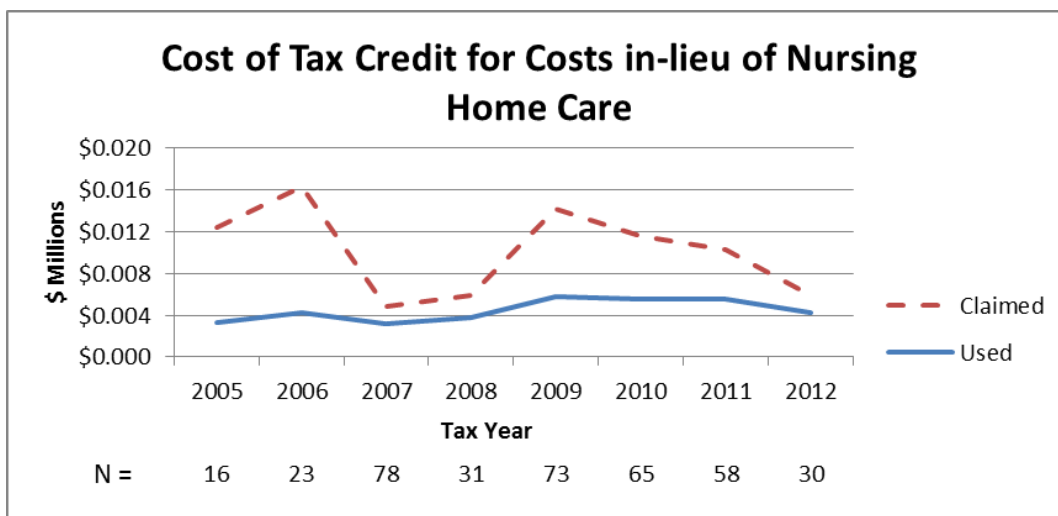
Current Law

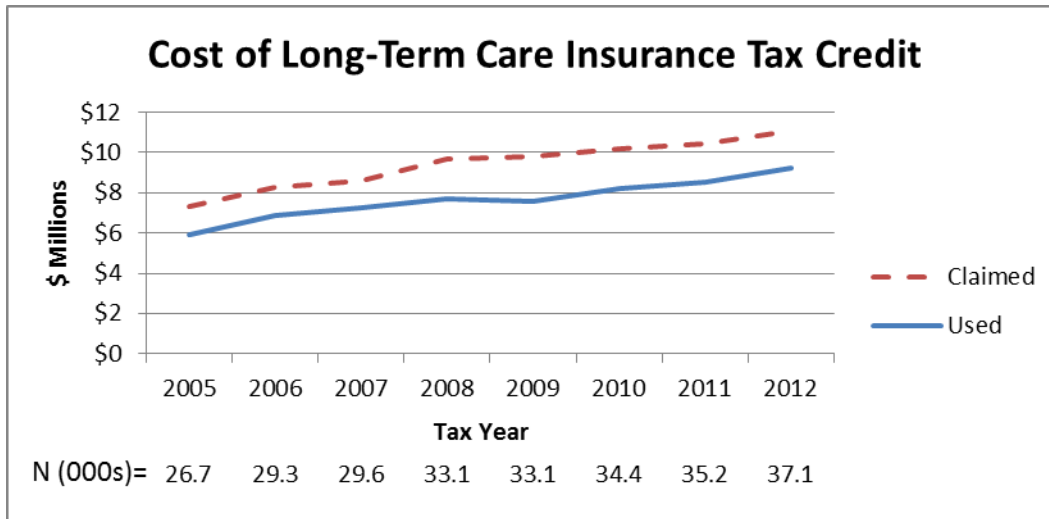
1. **Costs in-lieu of Nursing Home Care:** Individuals are allowed to claim a tax credit for expenses incurred for the care of an individual who otherwise would be placed in a nursing home. The credit is the lesser of the \$250 or 8% of expenses paid.
2. **Long-term Care Insurance:** Taxpayers are allowed a tax credit for the purchase of long-term care insurance. For individuals, the credit is the lesser of \$500 or 15% of the premiums paid. For business, the credit is the lesser of \$500 per insured employee or 15% of the premiums paid.

Proposed Changes

1. No recommendation for the Nursing Home tax credit
2. No recommendation for the Long-term Care Insurance tax credit

Historical Use and Revenue Impact





Policy	Bill Number	Revenue Impact \$M		
		2015-17	2017-19	2019-21
In-lieu of Nursing Home Care	SB 38	-\$0.00	-\$0.01	-\$0.01
Long-term Care Insurance	SB 39	-\$10.60	-\$22.50	-\$23.80
Total		-\$10.6	-\$22.5	-\$23.8

Technical Considerations