

HOUSE RESEARCH

Bill Summary

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Subject: Long-term care insurance tax credit

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Overview

This bill increases the maximum long-term care insurance credit from \$100 (\$200 for a married couple) to \$500 (\$1,000 for a married couple).

Section

- 1 Long-term care insurance credit.** Increases maximum limits under the credit for long-term care insurance. This credit equals 25 percent of the long-term insurance premiums paid and not deducted under the itemized deduction for medical care. Under present law, the maximum credit is \$100 for each qualified beneficiary (\$200 for a married couple). This section increases these maximums to \$500 and \$1,000.

Effective date. Effective beginning with tax year 2004.