Overview

Allows a refundable income tax credit for medical expenses for treating or alleviating a tobacco-related illness. Qualifying expenses include equipment, supplies, and prescription drugs ordered by a physician and not covered by insurance.

1 Credit for medical equipment and supplies.

Subd. 1. Credit allowed. Allows a refundable income-tax credit for medical expenses, including equipment, supplies, and prescription drugs, for treating or alleviating a tobacco-related illness.

Subd. 2. Eligibility. Restricts credit eligibility to taxpayers who are ineligible for medical assistance (MA) or general assistance medical care (GAMC), not enrolled in MinnesotaCare, and have household income less than 175 percent of the federal poverty guidelines adjusted by family size. For 1998, 175 percent of the federal poverty guidelines for a family of four equals $28,788. The poverty guidelines for 1999 have not yet been issued.

Subd. 3. Qualifying medical equipment and supplies. Requires that in order to qualify for the credit, medical equipment and supplies must be ordered by a physician and not covered by a health plan, Medicare, or Medicare supplement plan.

Subd. 4. Credit refundable. Makes the credit refundable; that is, if the credit exceeds a claimant's liability the excess is paid to the claimant as a refund.

Subd. 5. Appropriation. Provides an appropriation to the commissioner of revenue for payment of refunds.