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FISCAL IMPACT REPORT

SPONSOR: Lopez DATE TYPED: 02/27/01 HB _____
 SHORT TITLE: Tax Incentives for Long-term Care Insurance SB SJM 66
 ANALYST: Williams

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
 Agency on Aging

SUMMARY

Synopsis of Bill

The memorial requests a study of possible tax incentives for the purchase of long-term care insurance. The text outlines concerns regarding long-term care insurance and the chronically ill.

The State Agency on Aging and the Interagency Committee on Long-term Care are directed to study the advisability of establishing tax incentives for the purchase of long-term care insurance. The Insurance Division of the Public Regulation Commission, the Taxation and Revenue Department, the Human Services Department and the Department of Health are directed to provide assistance and information. Findings and recommendations are to be reported to the interim Health and Human Services Committee, the Revenue Stabilization and Tax Policy Committee and the Legislative Finance Committee at their October 2001 meetings.

Significant Issues

The Agency on Agency notes long-term care is expensive, and mechanisms through which more people could purchase this insurance would have benefits.

FISCAL IMPLICATIONS

No fiscal impact.

ADMINISTRATIVE IMPLICATIONS

Administrative cost to the agencies noted above.

AW/njw:pr