

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6843**  
**BILL NUMBER: HB 1694**

**NOTE PREPARED: Jan 13, 2003**  
**BILL AMENDED:**

**SUBJECT:** Long term care insurance tax deduction.

**FIRST AUTHOR:** Rep. Ripley  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**           **GENERAL**  
  **DEDICATED**  
  **FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Provides that a taxpayer who pays premiums for a long term care insurance policy for a parent, grandparent, stepparent, or step grandparent of the taxpayer or the taxpayer's spouse may, in calculating adjusted gross income, deduct an amount equal to the portion of the premiums paid in the taxable year. Removes a provision restricting the tax deduction to premiums paid for insurance policies that are "qualified" for purposes of the Indiana long term care program.

**Effective Date:** January 1, 2004.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Jim Landers, 317-232-9869