

Fiscal Estimate Narratives
DOR 3/27/02

LRB Number	01-4346/1	Introduction Number	AB-926	Estimate Type	Original
Subject					
Individual income tax deduction for long term care savings accounts					

Assumptions Used in Arriving at Fiscal Estimate

This bill would allow a subtraction from federal adjusted gross income for deposits made into a long-term care expenses account established on behalf of the taxfiler or spouse, up to a maximum of \$2,000 per year (\$4,000 per year for joint filers who both have long-term care expenses accounts). No deduction would be allowed when the value of the account exceeds \$100,000.

Information on the number of filers who would be eligible for this deduction is not available. Thus, the fiscal effect of this bill is unknown.

The Department would incur administrative costs of \$2,500 for additional audits, adjustments and correspondence and supporting expenses.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Individual income tax deduction for long term care savings accounts			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$2,200		
(FTE Position Changes)			
State Operations - Other Costs	300		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$2,500		\$
B. State Costs by Source of Funds			
GPR	2,500		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$2,500		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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