

1999 SESSION

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HOUSE JOINT RESOLUTION NO. 696

Offered January 21, 1999

Requesting the Department of Taxation to study the possibility of the Commonwealth providing an income tax credit to individuals who purchase long term care health insurance.

Patrons—Morgan, Bloxom, Davies, Guest, Hamilton, Hargrove, Melvin and Parrish

Referred to Committee on Finance

WHEREAS, it is a fact that the elderly are a growing part of the population in the Commonwealth as well as the United States; and

WHEREAS, it is well known that long term care can be very costly, especially if hospitalization and nursing home care are required; and

WHEREAS, it has been predicted that Medicaid will cover less and less of the costs of such long term care; and

WHEREAS, long term care insurance has become available in the past several years; and

WHEREAS, such insurance becomes more expensive as an individual ages; and

WHEREAS, encouraging individuals to plan for their golden years is a good idea; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Department of Taxation is requested to study the possibility of providing a tax credit to individuals who purchase long term care insurance.

In conducting its study, the Department shall examine what other states and the federal government are doing with regard to this issue and how successful their approaches have been. The Department's study also shall include a cost analysis for providing such a tax credit.

Technical assistance shall be provided by the Joint Commission on Health Care. All agencies of the Commonwealth shall provide assistance to the Department of Taxation, upon request.

The Department of Taxation shall complete its work in time to submit its findings and recommendations to the Governor and the 2000 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

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