

TAX CREDIT ANALYSIS

Program Name: Shared Care Tax Credit		
Department: Health and Senior Services	Contact Name & No.: Andy Petti (751-4842)	Date: October 2011
Program Category: Domestic and Social	Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____	
Statutory Authority: Sections 660.053, 660.054, and 660.055, RSMo	Applicable Taxes: Individual Income	

Program Description and Eligibility Requirements:
 Shared Care is a program in which families who provide care to an elderly family member in their home may request help to locate community and state supportive services. Caregivers who meet requirements within the program are eligible for a Shared Care tax credit in an amount not to exceed \$500 to defray the cost of caring for an elderly person. In order to be eligible for a Shared Care tax credit, a registered caregiver shall:

- (1) Care for an elderly person age 60 or older who is physically or mentally incapable of living alone, who requires assistance to avoid placement in a long-term care facility, is not able or allowed to operate a motor vehicle, and does not receive funding or services through Medicaid or Social Service Block Grant funding;
- (2) Live in the same residence as the elderly person to give protective oversight for an aggregate for more than six months per tax year;
- (3) Not receive monetary compensation for providing care; and
- (4) File necessary Shared Care tax credit forms with the caregiver's Missouri individual income tax return.

Explanation of How Award is Computed: Entitlement Discretionary _____
 Each qualifying caregiver is limited to no more than \$500 of tax credit, not to exceed the total amount of their tax liability.

Program Cap: Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None
Explanation of cap:
 While there is no program cap, the eligibility requirements for the program self-limit the amount of tax credits provided. Each qualifying caregiver is limited to no more than \$500 of tax credit, and no more than their tax liability.

Explanation of Expiration of Authority:
 The Shared Care Program does not have an expiration of authority.

Specific Provisions: (if applicable)
 Carry forward _____ years Carry Back 3 years Refundable _____ Sellable/Assignable _____ Additional Federal Deductions Available _____

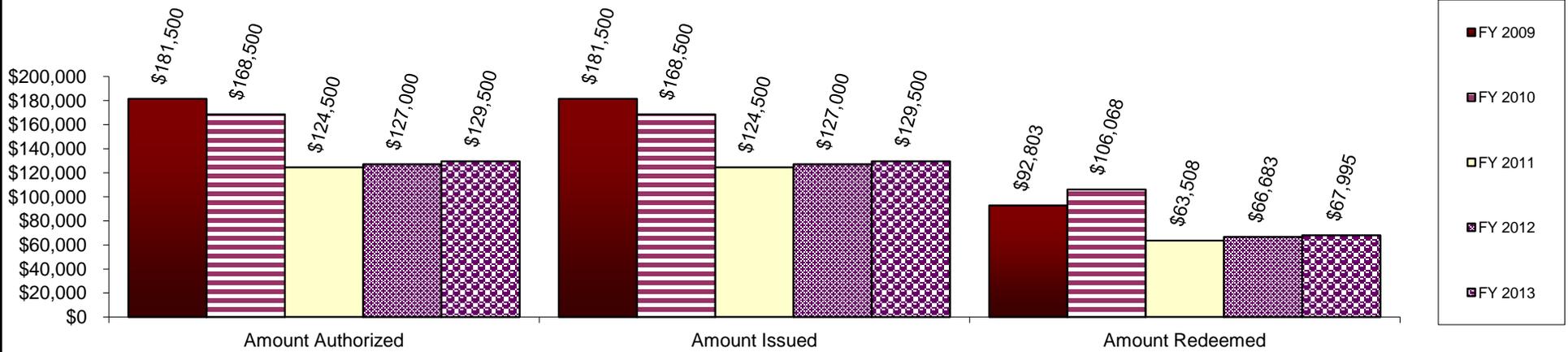
Comments on Specific Provisions:
 Individual tax returns may be amended to claim a tax credit for up to three previous years, if it can be documented the claimant met all of the requirements set forth in Section 660.055, RSMo. The ability to amend federal and/or state income tax returns is limited to three years. Certificates issued equal the number of Shared Care registered caregivers (potential tax credit claimants). Amount authorized is equal to the number of registered caregivers multiplied by the maximum per person credit amount of \$500. Amount redeemed is the total tax credit claimed.

	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 (current year)	FY 2013 (budget year)
Certificates Issued (#)	363	337	249	254	259
Projects (#)	0	0	0	0	0
Amount Authorized	181,500	168,500	\$124,500	\$127,000	\$129,500
Amount Issued	181,500	168,500	\$124,500	\$127,000	\$129,500
Amount Redeemed	92,803	106,068	\$63,508	\$66,683	\$67,995
EST. Amount Outstanding	N/A	N/A	N/A	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	N/A	N/A	N/A

TAX CREDIT ANALYSIS

Program Name: Shared Care Tax Credit

HISTORICAL AND PROJECTED INFORMATION



Comments on Historical and Projected Information:

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2011 ACTIVITY	Other Fiscal Period (indicated time period)	Derivation of Benefits: Individuals claiming this tax credit are providing care for elderly persons who are not receiving state funded services. Without this private caregiver support, these elderly persons may need services such as personal care, homemaker, and respite care funded in part through Medicaid, Social Service Block Grant, or state General Revenue. The indirect fiscal benefits are calculated based on the number of elderly persons claiming the credit who are potentially Medicaid eligible (15.71 percent of persons over age 60), multiplied by the average cost of care for elderly persons receiving care through DHSS (181 total claimants x 15.71% [percent potentially Medicaid eligible] X \$8,345 [FY 2011 average cost of care] = \$237,331). Direct Costs Footnote: Direct costs include the dollar value of tax credits redeemed (\$63,508) as well as the cost for personnel (\$15,672) who respond to inquiries and register/confirm individuals within the program.
BENEFITS			
Direct Fiscal Benefits	N/A	N/A	
Indirect Fiscal Benefits	\$ 237,331	N/A	
Total	\$ 237,331	N/A	
COSTS			
Direct Fiscal Costs	\$ 79,180	N/A	
Indirect Fiscal Costs	N/A	N/A	
Total	\$ 79,180	N/A	
BENEFIT: COST	3.00		

Other Benefits:

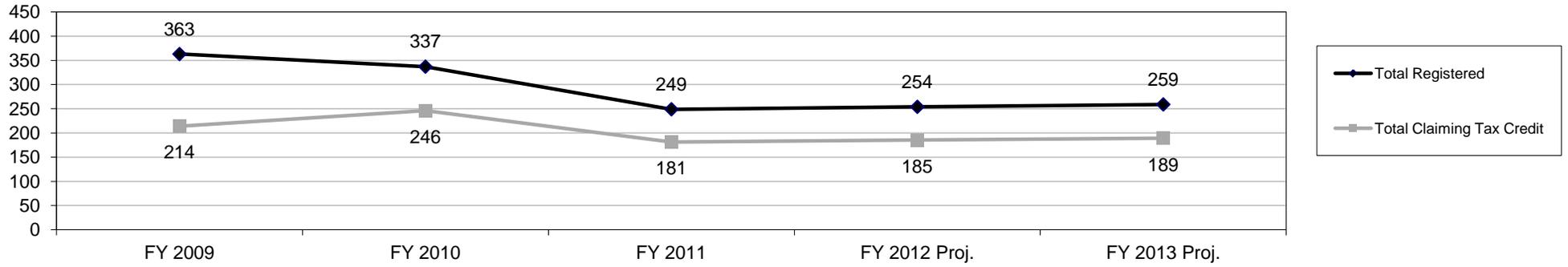
The Shared Care Program also provides support for families caring for an elderly person by increasing awareness of the variety of privately funded services and government services that may be available. Caregivers are provided information about support groups and other resource contacts at the local, state, and national level.

TAX CREDIT ANALYSIS

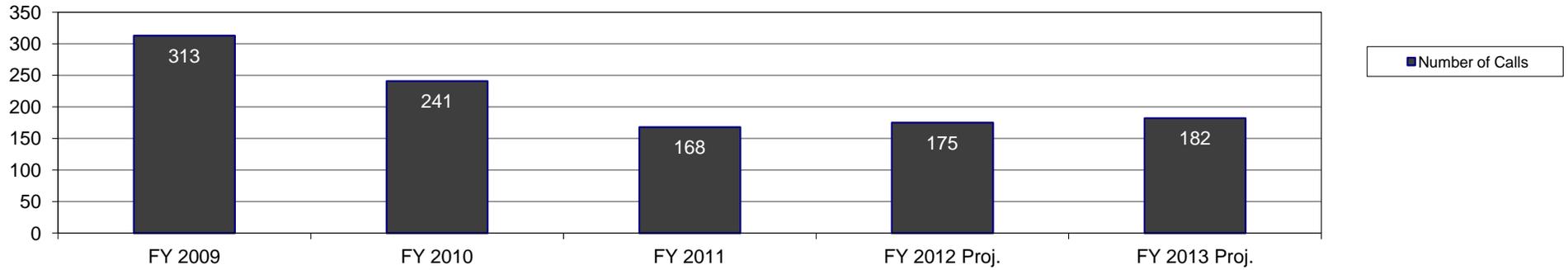
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PERFORMANCE MEASURE(S)

Registered Caregivers



Shared Care Inquiries



Comments on Performance Measure: