

TAX CREDIT ANALYSIS

Program Name: Self Employed Health Insurance Tax Credit

Department: Revenue **Contact Name & No.:** Joel Allison, 751-0191 **Date:** October 2012

Program Category: Financial and Insurance **Type:** Tax Credit Other (specify) _____

Statutory Authority: 143.119, RSMo **Applicable Taxes:** Chapter 143, excluding withholding tax

Program Description and Eligibility Requirements:
 A self-employed taxpayer, as such term is used in the federal Internal Revenue Code (IRC), who is ineligible for the federal income tax health insurance deduction under Section 162 of the federal IRC, shall be entitled to a credit against the tax due under Chapter 143, excluding withholding tax.

Explanation of How Award is Computed: Entitlement _____ Discretionary _____
 A self-employed taxpayer may claim a credit in an amount equal to the portion of the taxpayer's federal tax liability incurred due to the taxpayers inclusion of the federal income tax health insurance payment in their federal adjusted gross income.

Program Cap: Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None _____

Explanation of cap:

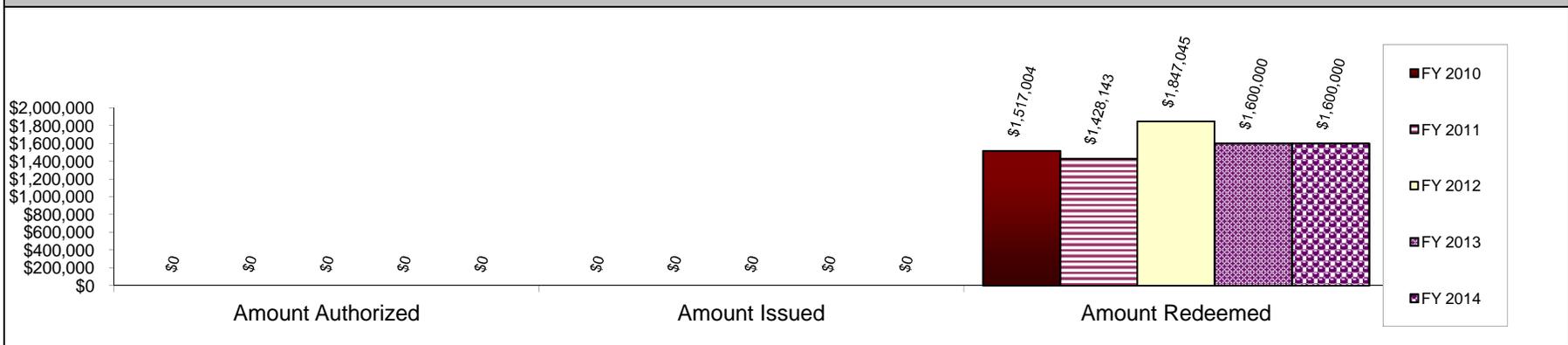
Explanation of Expiration of Authority:

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

Comments on Specific Provisions:

	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 ACTUAL	FY 2013(current year)	FY 2014 (budget year)
Certificates Issued (#)	0	0	0	0	0
Projects (#)	0	0	0	0	0
Amount Authorized	\$0	\$0	\$0	\$0	\$0
Amount Issued	\$0	\$0	\$0	\$0	\$0
Amount Redeemed	\$1,517,004	\$1,428,143	\$1,847,045	\$1,600,000	\$1,600,000
EST. Amount Outstanding	N/A	N/A	\$0	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$0	N/A	N/A

HISTORICAL AND PROJECTED INFORMATION



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Comments on Historical and Projected Information:			
BENEFIT: COST ANALYSIS (includes only state revenue impacts)			
	FY 2012 ACTIVITY	Other Fiscal Period (indicated time period)	Derivation of Benefits: The Department of Revenue, with the assistance of the Missouri Economic Development used the Regional Economic Model, Inc. (REMI) model for generating cost-benefit analysis for tax credit programs as required under Section 33.282, RSMo.
BENEFITS			
Direct Fiscal Benefits	\$0		
Indirect Fiscal Benefits	\$36,211		
Total	\$36,211		
COSTS			
Direct Fiscal Costs	\$1,847,045		
Indirect Fiscal Costs	\$0		
Total	\$1,847,045		
BENEFIT: COST	0.02		
Other Benefits:			
PERFORMANCE MEASURE(S)			
Comments on Performance Measure:			