

SECOND REGULAR SESSION

HOUSE BILL NO. 1669

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SUTHERLAND (Sponsor), STEFANICK, COOPER (120), MYERS, LUETKEMEYER, WILDBERGER, BIVINS, MOORE, PAGE AND HANAWAY (Co-sponsors).

Read 1st time March 11, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4906L.021

AN ACT

To repeal sections 135.096 and 660.057, RSMo, and to enact in lieu thereof two new sections relating to the tax deduction for long-term care insurance.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 135.096 and 660.057, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 135.096 and 660.057, to read as follows:

135.096. 1. In order to promote personal financial responsibility for long-term health
2 care in this state, for all taxable years beginning after December 31, 1999, **and ending**
3 **December 31, 2003**, a resident individual may deduct from such individual's Missouri taxable
4 income an amount equal to fifty percent of all nonreimbursed amounts paid by such individual
5 for qualified long-term care insurance premiums to the extent such amounts are not included **in**
6 the individual's itemized deductions. **For all taxable years beginning after January 1, 2004,**
7 **a resident individual may deduct from such individual's Missouri taxable income an**
8 **amount equal to one hundred percent of all nonreimbursed amounts paid by such**
9 **individual for qualified long-term care insurance premiums to the extent such amounts are**
10 **not included in the individual's itemized deductions.** A married individual filing a Missouri
11 income tax return separately from his or her spouse shall be allowed to make a deduction
12 pursuant to this section in an amount equal to the proportion of such individual's payment of all
13 qualified long-term care insurance premiums. The director of the department of revenue shall
14 place a line on all Missouri individual income tax returns for the deduction created by this
15 section.

16 2. For purposes of this section, "qualified long-term care insurance" means any policy
17 which meets or exceeds the provisions of sections 376.1100 to 376.1118, RSMo, and the rules
18 and regulations promulgated pursuant to such sections for long-term care insurance.

19 **3. To increase awareness of the long-term care tax deduction established in this**
20 **section, the director of revenue, in cooperation with the division of senior services within**
21 **the department of health and senior services, the department of social services, and the**
22 **department of insurance, shall implement an education and awareness program**
23 **concerning the tax deduction authorized by this section. Such program shall provide**
24 **accurate information concerning the eligibility for the tax deduction and shall focus on**
25 **increasing the awareness for the tax deduction among eligible Missouri residents.**

26 **4. The department of revenue, in cooperation with the division of senior services,**
27 **the department of social services, and the department of insurance, may use the following**
28 **strategies for raising public awareness concerning the tax deduction established in this**
29 **section:**

30 **(1) An outreach campaign utilizing print, radio, and television public service**
31 **announcements, advertisements, posters, and other materials;**

32 **(2) Community forums; and**

33 **(3) Tax information provided at public events.**

34 **5. The department of revenue, in cooperation with the division of senior services,**
35 **the department of social services, and the department of insurance, shall distribute**
36 **information required by this section. The director of the department of revenue may**
37 **utilize the department of revenue information fund established in section 32.067, RSMo,**
38 **to achieve the purposes of this section.**

39 **6. The department of revenue may promulgate rules to implement the provisions**
40 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010,**
41 **RSMo, that is created under the authority delegated in this section shall become effective**
42 **only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and,**
43 **if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are**
44 **nonseverable and if any of the powers vested with the general assembly pursuant to**
45 **chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule**
46 **are subsequently held unconstitutional, then the grant of rulemaking authority and any**
47 **rule proposed or adopted after August 28, 2004, shall be invalid and void.**

660.057. 1. On and after August 13, 1984, an area agency on aging shall operate with
2 local administrative responsibility for Title III of the Older Americans Act, and other funds
3 allocated to it by the division. The area agency board shall be responsible for all actions of an
4 area agency on aging in its jurisdiction, including, but not limited to, the accountability for funds
5 and compliance with federal and state laws and rules. Such responsibility shall include all
6 geographic areas in which the area agency on aging is designated to operate. The respective area
7 agency board shall appoint a director of the area agency on aging in its jurisdiction. Beginning

8 January 1, 1995, the director of the area agency on aging shall submit an annual performance
9 report to the division director, the speaker of the house of representatives, the president pro
10 tempore of the senate and the governor. Such performance report shall give a detailed
11 accounting of all funds which were available to and expended by the area agency on aging from
12 state, federal and private sources.

13 2. Each area agency on aging shall have an area agency on aging advisory council, which
14 shall:

15 (1) Recommend basic policy guidelines for the administration of the activities of the area
16 agencies on aging on behalf of elderly persons and advise the area agency on aging on questions
17 of policy;

18 (2) Advise the area agency on aging with respect to the development of the area plan and
19 budget, and review and comment on the completed area plan and budget before its transmittal
20 to the division;

21 (3) Review and evaluate the effectiveness of the area agency on aging in meeting the
22 needs of elderly persons in the planning and service area;

23 (4) Meet at least quarterly, with all meetings being subject to sections 610.010 to
24 610.030, RSMo.

25 3. Each area agency board shall:

26 (1) Conduct local planning functions for Title III and Title XX, and such other funds as
27 may be available;

28 (2) Develop a local plan for service delivery, subject to review and approval by the
29 division, that complies with federal and state requirements and in accord with locally determined
30 objectives consistent with the state policy on aging;

31 (3) Assess the needs of elderly persons within the planning and service delivery area for
32 service for social and health services, and determine what resources are currently available to
33 meet those needs;

34 (4) Assume the responsibility of determining services required to meet the needs of
35 elderly persons, assure that such services are provided within the resources available, and
36 determine when such services are no longer needed;

37 (5) Endeavor to coordinate and expand existing resources in order to develop within its
38 planning and service area a comprehensive and coordinated system for the delivery of social and
39 health services to elderly persons;

40 (6) Serve as an advocate within government and within the community at large for the
41 interests of elderly persons within its planning and service area. **In the role of advocate within
42 the community, the board shall also inform elderly persons who are residents of Missouri
43 about the availability of the long-term health insurance tax credit established in section**

44 **135.096, RSMo;**

45 (7) Make grants to or enter into contracts with any public or private agency for the
46 provision of social or health services not otherwise sufficiently available to elderly persons
47 within the planning and service area;

48 (8) Monitor and evaluate the activities of its service providers to ensure that the services
49 being provided comply with the terms of the grant or contract. Where a provider is found to be
50 in breach of the terms of its grant or contract, the area agency shall enforce the terms of the grant
51 or contract;

52 (9) Conduct research, evaluation, demonstration or training activities appropriate to the
53 achievement of the goal of improving the quality of life for elderly persons within its planning
54 and service area;

55 (10) Comply with division requirements that have been developed in consultation with
56 the area agencies for client and fiscal information, and provide to the division information
57 necessary for federal and state reporting, program evaluation, program management, fiscal
58 control and research needs.

59 4. Beginning January 1, 1995, the records of each area agency on aging shall be audited
60 at least every other year. All audits required by the Older Americans Act of 1965, as amended,
61 shall satisfy this requirement.