

**First Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 07-0620.01 Ed DeCecco

HOUSE BILL 07-1273

HOUSE SPONSORSHIP

Summers, Marostica, Cadman, Frangas, Kerr J., Liston, May M., and Swalm

SENATE SPONSORSHIP

(None),

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE SUBTRACTION OF EXPENSES FOR MEDICAL CARE**
102 **FROM STATE TAXABLE INCOME FOR THE PURPOSE OF**
103 **CALCULATING STATE INCOME TAX LIABILITY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

For the next 3 income tax years, allows an individual to subtract expenses for medical care from the individual's federal taxable income for the purpose of determining the amount of an individual's state taxable income, which is used to determine the individual's state income tax liability.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 39-22-104 (4), Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4 **39-22-104. Income tax imposed on individuals, estates, and**
5 **trusts - single rate - definitions - repeal.** (4) There shall be subtracted
6 from federal taxable income:

7 (n) (I) FOR INCOME TAX YEARS COMMENCING ON JANUARY 1,
8 2008, THROUGH JANUARY 1, 2010, AN AMOUNT EQUAL TO ANY EXPENSE
9 PAID DURING THE TAXABLE YEAR, NOT COMPENSATED FOR BY INSURANCE
10 OR OTHERWISE, FOR MEDICAL CARE OF THE TAXPAYER, HIS OR HER SPOUSE,
11 OR A DEPENDENT, TO THE EXTENT SUCH EXPENSE IS NOT CLAIMED AS A
12 DEDUCTION ON THE TAXPAYER'S FEDERAL INCOME TAX RETURN NOR PAID
13 OR REIMBURSED FROM A MEDICAL SAVINGS ACCOUNT PURSUANT TO
14 SECTION 39-22-504.7 (3) (b) (I). AN EXPENSE THAT MEETS THE
15 REQUIREMENTS FOR A DEDUCTION SET FORTH IN SECTION 213 OF THE
16 INTERNAL REVENUE CODE, EXCLUDING THE REQUIREMENT THAT THE
17 MEDICAL EXPENSES EXCEED SEVEN AND ONE-HALF PERCENT OF THE
18 TAXPAYER'S FEDERAL ADJUSTED GROSS INCOME, SHALL BE SUBTRACTED
19 FROM TAXABLE INCOME PURSUANT TO THIS PARAGRAPH (n).

20 (II) THIS PARAGRAPH (n) IS REPEALED, EFFECTIVE JANUARY 1,
21 2013.

22 **SECTION 2. Safety clause.** The general assembly hereby finds,
23 determines, and declares that this act is necessary for the immediate
24 preservation of the public peace, health, and safety.