

Tax Advantages for Individuals

Purchasing a tax-qualified long-term care insurance policy has the potential to save you money on your taxes.

Tax-Deductible Premiums

Under current tax laws, you may be able to deduct a portion of the premium you pay for a tax-qualified long-term care insurance policy. Each year, the federal government sets limits for the amount of **eligible premium** that may be deducted based on medical care components of the Consumer Price Index.

The **eligible premium** amount may be claimed as a medical expense as long as:

- Your combined medical expenses exceed 7.5 percent of your adjusted gross income, and
- You itemize deductions on your federal income tax return

Eligible Premium Guidelines for 2023	
At age:	You can deduct:
40 and younger	\$480
41-50	\$890
51-60	\$1,790
61-70	\$4,770
71 and older	\$5,960

Source: IRS Revenue Procedure 2022-38

Long-term care insurance is underwritten by Mutual of Omaha Insurance Company, 3300 Mutual of Omaha Plaza, Omaha, NE 68175, 1-800-775-6000. Policy form: LTC13 (or state equivalent). In NY, LTC13-NY. This policy has exclusion, limitations, reductions and terms under which the policy may be continued in force or discontinued. For costs and complete details of coverage, call your agent/producer or write to the company.

This is a solicitation of insurance. You may be contacted by telephone by an insurance agent/producer.

Long-term care insurance is not a deposit, not FDIC insured, not insured by any federal government agency, not guaranteed by the bank, not a condition of any banking activity, may lose value and the bank may not condition an extension of credit on either: 1) The consumer's purchase of an insurance product or annuity from the bank or any of its affiliates; or 2) The consumer's agreement not to obtain, or prohibition on the consumer from obtaining, an insurance product or annuity from an unaffiliated entity.

Tax-Free Benefits

The benefits you receive from a tax-qualified long-term care insurance policy are intended to be tax free as long as they do not exceed the greater of:

- Your qualified long-term care daily expenses, or
- The per-day limitation, which is \$420 in 2023

Source: Section 7702B of the Internal Revenue Code (IRC)

Out-of-Pocket Expenses

If you pay long-term care expenses out of your own pocket (i.e., home care services, nursing home care, etc.), you generally may claim these expenses as a medical deduction on your income tax return. However, home care provided by a family member is not deductible unless the family member is a licensed health care professional.

The information provided is not intended to be tax advice. Consult your tax advisor to determine the tax benefits for your situation.



Underwritten by
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