

OUT OF ORDER

1 The Senate Insurance and Labor Committee offered the following amendment:

2 *Amend HB 242 by inserting at the end of line 7 on page 1 the following:*

3 to provide for a taxpayer credit for qualified health insurance expenses; to provide for
4 conditions and limitations;

5 *By inserting between lines 6 and 7 on page 2 the following:*

SECTION 3.

7 Said chapter is further amended by adding a new Code section to read as follows:

8 "48-7-29.12.

9 (a) As used in this Code section, the term:

10 (1) 'Qualified health insurance expense' means the expenditure of funds for health
11 insurance premiums for high deductible health plans that include, at a minimum,
12 catastrophic health care coverage, which are established and used with a health savings
13 account under the applicable provisions of Section 223 of the Internal Revenue Code.

14 (2) 'Taxpayer' means an employee who is employed directly or a person who is paid
15 compensation which is reported on Form 1099 at a business where 25 or fewer persons
16 are employed or compensated by the employer.

17 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
18 for qualified health insurance expenses in an amount not to exceed the actual amount
19 expended or \$250.00, whichever is less, if such health insurance is made available to all
20 of the employees and compensated individuals of the employer.

21 (c) In no event shall the total amount of the tax credit under this Code section for a taxable
22 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the
23 taxpayer against succeeding years' tax liability. No such credit shall be allowed the
24 taxpayer against prior years' tax liability.

25 (d) The commissioner shall be authorized to promulgate any rules and regulations
26 necessary to implement and administer the provisions of this Code section."

27 *By redesignating Section 3 as Section 4 and Section 4 as Section 5.*