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HOUSE BILL 2895

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State of Washington

54th Legislature

1996 Regular Session

By Representatives Hymes, Quall, L. Thomas, Sheldon, Dyer, Basich, Campbell and Smith

Read first time 01/24/96. Referred to Committee on Finance.

1 AN ACT Relating to tax credits for health care insurance; and  
2 adding a new section to chapter 48.14 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.14 RCW  
5 to read as follows:

6 (1) In computing the taxes imposed under RCW 48.14.020 and  
7 48.14.0201, a taxpayer may obtain a credit for losses incurred by the  
8 taxpayer in the provision of individual health care insurance policies,  
9 individual health care service contracts, or individual health  
10 maintenance agreements against the company's total premium tax  
11 obligation.

12 (2) The maximum credit that a taxpayer may claim under this section  
13 is an amount equal to the total of claim amounts for individual health  
14 care insurance policies, individual health care service contracts, or  
15 individual health maintenance agreements that are greater than ninety-  
16 five percent of premiums collected from the individual health care  
17 insurance policies, individual health care service contracts, or  
18 individual health maintenance agreements.

1       (3) Credit under this section is available only to taxpayers with  
2 at least five percent of its gross proceeds coming from individual  
3 health care insurance policies, individual health care service  
4 contracts, or individual health maintenance agreements.

5       (4) For the purposes of this section, "taxpayer" means a disability  
6 insurer, health care service contractor, or health maintenance  
7 organization.

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