



LONG TERM CARE
INSURANCE

Inflation Adjusted Tax Tables for 2008

THE LATEST JOHN HANCOCK NEWS AND IDEAS TO GROW YOUR LTC INSURANCE BUSINESS

The Internal Revenue Service has released inflation adjusted tax tables for 2008 which affect the amount of premium individuals may deduct on their tax returns.

Eligible Long-Term Care Premiums

The limitations for eligible long term care insurance premiums includible in the term "medical care" are:

Attained age before the close of the 2008 taxable year:

40 or less:	\$310	(up from \$290 in 2007)
More than 40 but not more than 50:	\$580	(up from \$550 in 2007)
More than 50 but not more than 60:	\$1,150	(up from \$1110 in 2007)
More than 60 but not more than 70:	\$3,080	(up from \$2950 in 2007)
More than 70:	\$3,850	(up from \$3680 in 2007)

We will notify you via Newslink once the 2008 Tax Guide is available.

Periodic Payments Received under QLTCI Contracts or Certain Life Insurance Contracts

For calendar year 2008, the stated dollar amount of the **per diem** limitation, regarding periodic payments received under a qualified LTC insurance contract or periodic payments received under a life insurance contract that are treated as paid by reason of the death of a chronically ill individual, is \$270 (up from \$260 in 2007).

Medical Savings Account Limitations

The term "high deductible health plan" means, in the case of self-only coverage, a health plan that has an annual deductible that is not less than \$1,950 and not more than \$2,900, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits does not exceed \$3,850. For family coverage, the term "high deductible health plan" means a health plan that has an annual deductible that is not less than \$3,850 and not more than \$5,800, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits does not exceed \$7,050.