

BILL L. BURGESS
9410 ROSLYNDALE AVENUE

ARLETA, CALIFORNIA 91331-5406
PRESIDENT'S ADVISORY
BOARD
ON FEDERAL TAX REFORM

2005 MAR -8 P 3:14

The President's Panel on Federal Tax Reform
Attn: Mr. Connie Mack III, Leader
1440 New York Avenue NW
Suite 2100
Washington, DC 20220

25 February 2004

Subject: MY LONG TERM CARE INSURANCE PREMIUMS

Dear Senator Mack,

For a number of years Senator Charles Grassley has tried to get premiums for LONG TERM CARE INSURANCE for OLD people to be considered a legitimate deduction. Finally he met with some minor success for the IRS now permits premiums paid for LONG TERM CARE to be considered along with any allowable medical expense. This requires that the tax return be *itemized* and only a percentage of the total cost is deductible.

I am old, now 82. I have no pension of any kind whatsoever although I worked for the same company for over 30 years. I live on social security and the pittance the banks pay me as interest on my life savings. My circumstances do not allow me to *itemize* my tax return. Therefore, although it is my single largest expenditure, I cannot take it as a deduction.

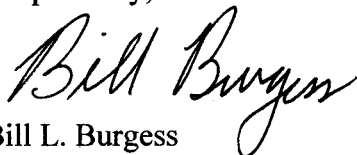
On the other hand an employee that is working and has a steady income can deduct his LONG TERM CARE premiums (Archer MSA) as an ABOVE LINE deduction.

Is this fair?

An old man struggling to live a few years longer and not wanting to be dependent upon the State for his eventual care is denied the same help a young working man with an Archer MSA account is allowed.

I respectfully request that you change the regulations so that I, and other old people, can take our LONG TERM CARE INSURANCE PREMIUMS as an ABOVE LINE deduction regardless of the specific tax form we use. Now that would be fair!

Respectfully,



Bill L. Burgess