

Taxation Tidbit  
**Self-Employed Health Insurance Deduction**  
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If you are self-employed the percentage deduction for your payments on health insurance and qualified long-term care insurance coverage for yourself, your spouse and dependents has been increased to 70% for 2002. This deduction is reported on Form 1040 as an adjustment to calculate “adjusted gross income”.

**Cautions:**

- You cannot deduct health insurance payments for any month you were eligible to participate in a health plan subsidized by your or your spouse’s employer.
- Generally, the deduction cannot be greater than the net income from the business.

**Good News:**

The deductible percentage for health insurance coverage increases to 100% for 2003.