

7603

2015-2016 Regular Sessions

I N A S S E M B L Y

May 20, 2015

Introduced by M. of A. GJONAJ -- read once and referred to the Committee
on Ways and Means

AN ACT to amend the tax law, in relation to credits for premiums paid
for long-term care insurance policies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY,
DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 1 of section 190 of the tax law, as amended by
2 section 102 of part A of chapter 59 of the laws of 2014, is amended to
3 read as follows:
4 1. General. A taxpayer shall be allowed a credit against the tax
5 imposed by this article equal to [twenty percent] THE FOLLOWING PERCENT-
6 AGES of the premium paid during the taxable year for long-term care
7 insurance OR A LIFE INSURANCE POLICY OR POLICY RIDER PURSUANT TO SUBPAR-
8 AGRAPH (C), (D), (E) OR (F) OF PARAGRAPH ONE OF SUBSECTION (A) OF
9 SECTION ONE THOUSAND ONE HUNDRED THIRTEEN OF THE INSURANCE LAW:
10 (A) FORTY PERCENT IF THE INSURED IS LESS THAN FORTY YEARS OF AGE AT
11 THE END OF THE TAX YEAR FOR THE FIRST FOUR POLICY YEARS;
12 (B) THIRTY PERCENT IF THE INSURED IS LESS THAN FIFTY YEARS OF AGE, BUT
13 FORTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR THE FIRST
14 FOUR POLICY YEARS;
15 (C) TWENTY-FIVE PERCENT IF THE INSURED IS LESS THAN FIFTY-FIVE YEARS
16 OF AGE, BUT FIFTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR
17 THE FIRST FOUR POLICY YEARS; OR
18 (D) TWENTY PERCENT IF THE INSURED IS FIFTY-FIVE OR MORE YEARS OF AGE
19 AT THE END OF THE TAX YEAR, AND FOR ALL OTHER INSUREDS WHO HAVE HAD A
20 POLICY FOR FIVE YEARS OR MORE.
21 In order to qualify for such credit, the taxpayer's premium payment
22 must be for the purchase of or for continuing coverage under a long-term
23 care insurance policy that qualifies for such credit pursuant to section
24 one thousand one hundred seventeen of the insurance law.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 S 2. Paragraph (a) of subdivision 14 of section 210-B of the tax law,
2 as added by section 17 of part A of chapter 59 of the laws of 2014, is
3 amended to read as follows:

4 (a) General. A taxpayer shall be allowed a credit against the tax
5 imposed by this article equal to [twenty percent] THE FOLLOWING PERCENT-
6 AGES of the premium paid during the taxable year for long-term care
7 insurance OR A LIFE INSURANCE POLICY OR POLICY RIDER PURSUANT TO SUBPAR-
8 AGRAPH (C), (D), (E) OR (F) OF PARAGRAPH ONE OF SUBSECTION (A) OF
9 SECTION ONE THOUSAND ONE HUNDRED THIRTEEN OF THE INSURANCE LAW:

10 (I) FORTY PERCENT IF THE INSURED IS LESS THAN FORTY YEARS OF AGE AT
11 THE END OF THE TAX YEAR FOR THE FIRST FOUR POLICY YEARS;

12 (II) THIRTY PERCENT IF THE INSURED IS LESS THAN FIFTY YEARS OF AGE,
13 BUT FORTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR THE FIRST
14 FOUR POLICY YEARS;

15 (III) TWENTY-FIVE PERCENT IF THE INSURED IS LESS THAN FIFTY-FIVE YEARS
16 OF AGE, BUT FIFTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR
17 THE FIRST FOUR POLICY YEARS; OR

18 (IV) TWENTY PERCENT IF THE INSURED IS FIFTY-FIVE OR MORE YEARS OF AGE
19 AT THE END OF THE TAX YEAR, AND FOR ALL OTHER INSUREDS WHO HAVE HAD A
20 POLICY FOR FIVE YEARS OR MORE.

21 In order to qualify for such credit, the taxpayer's premium payment
22 must be for the purchase of or for continuing coverage under a long-term
23 care insurance policy that qualifies for such credit pursuant to section
24 one thousand one hundred seventeen of the insurance law.

25 S 3. Paragraph 1 of subsection (aa) of section 606 of the tax law, as
26 amended by section 1 of part P of chapter 61 of the laws of 2005, is
27 amended to read as follows:

28 (1) Residents. A taxpayer shall be allowed a credit against the tax
29 imposed by this article equal to [twenty percent] THE FOLLOWING PERCENT-
30 AGES of the premium paid during the taxable year for long-term care
31 insurance OR A LIFE INSURANCE POLICY OR POLICY RIDER PURSUANT TO SUBPAR-
32 AGRAPH (C), (D), (E) OR (F) OF PARAGRAPH ONE OF SUBSECTION (A) OF
33 SECTION ONE THOUSAND ONE HUNDRED THIRTEEN OF THE INSURANCE LAW:

34 (A) FORTY PERCENT IF THE INSURED IS LESS THAN FORTY YEARS OF AGE AT
35 THE END OF THE TAX YEAR FOR THE FIRST FOUR POLICY YEARS;

36 (B) THIRTY PERCENT IF THE INSURED IS LESS THAN FIFTY YEARS OF AGE, BUT
37 FORTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR THE FIRST
38 FOUR POLICY YEARS;

39 (C) TWENTY-FIVE PERCENT IF THE INSURED IS LESS THAN FIFTY-FIVE YEARS
40 OF AGE, BUT FIFTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR
41 THE FIRST FOUR POLICY YEARS; OR

42 (D) TWENTY PERCENT IF THE INSURED IS FIFTY-FIVE OR MORE YEARS OF AGE
43 AT THE END OF THE TAX YEAR, AND FOR ALL OTHER INSUREDS WHO HAVE HAD A
44 POLICY FOR FIVE YEARS OR MORE.

45 In order to qualify for such credit, the taxpayer's premium payment
46 must be for the purchase of or for continuing coverage under a long-term
47 care insurance policy that qualifies for such credit pursuant to section
48 one thousand one hundred seventeen of the insurance law. If the amount
49 of the credit allowable under this subsection for any taxable year shall
50 exceed the taxpayer's tax for such year, the excess may be carried over
51 to the following year or years and may be deducted from the taxpayer's
52 tax for such year or years.

53 S 4. Paragraph 1 of subdivision (m) of section 1511 of the tax law, as
54 amended by section 21 of part B of chapter 58 of the laws of 2004, is
55 amended to read as follows:

(1) A taxpayer shall be allowed a credit against the tax imposed by this article equal to [twenty percent] THE FOLLOWING PERCENTAGES of the premium paid during the taxable year for long-term care insurance OR A LIFE INSURANCE POLICY OR POLICY RIDER PURSUANT TO SUBPARAGRAPH (C), (D), (E) OR (F) OF PARAGRAPH ONE OF SUBSECTION (A) OF SECTION ONE THOUSAND ONE HUNDRED THIRTEEN OF THE INSURANCE LAW:

(A) FORTY PERCENT IF THE INSURED IS LESS THAN FIFTY YEARS OF AGE AT THE END OF THE TAX YEAR FOR THE FIRST FOUR POLICY YEARS;

(B) THIRTY PERCENT IF THE INSURED IS LESS THAN FIFTY YEARS OF AGE, BUT FORTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR THE FIRST FOUR POLICY YEARS;

(C) TWENTY-FIVE PERCENT IF THE INSURED IS LESS THAN FIFTY-FIVE YEARS OF AGE, BUT FIFTY OR MORE YEARS OF AGE, AT THE END OF THE TAX YEAR FOR THE FIRST FOUR POLICY YEARS; OR

(D) TWENTY PERCENT IF THE INSURED IS FIFTY-FIVE OR MORE YEARS OF AGE AT THE END OF THE TAX YEAR, AND FOR ALL OTHER INSUREDS WHO HAVE HAD A POLICY FOR FIVE YEARS OR MORE.

In order to qualify for such credit, the taxpayer's premium payment must be for the purchase of or for continuing coverage under a long-term care insurance policy that qualifies for such credit pursuant to section one thousand one hundred seventeen of the insurance law.

S 5. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.