STATE OF NEW YORK

1453

2017-2018 Regular Sessions

IN SENATE

January 9, 2017

Introduced by Sens. AVELLA, CARLUCCI, KLEIN, SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

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

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 1 of section 190 of the tax law, as amended by section 102 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

1. General. A taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty percent of the premium paid during the taxable year for long-term care insurance*; provided, however, that for taxable years commencing on or after January first, two thousand seventeen and before January first, two thousand twenty-one, such credit shall be forty percent of the premium paid during the taxable year for long-term care insurance*. 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.

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

(a) General. A taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty percent of the premium paid during the taxable year for long-term care insurance*; provided, however, that for taxable years commencing on or after January first, two thousand seventeen and before January first, two thousand twenty-one, such credit shall be forty percent of the premium paid during the taxable year for long-term care insurance*. In order to qualify for such credit,

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

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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.

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

(1) Residents. A taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty percent of the premium paid during the taxable year for long-term care insurance**; provided, however, that for taxable years commencing on or after January first, two thousand seventeen and before January first, two thousand twenty-one, such credit shall be forty percent of the premium paid during the taxable year for long-term care insurance**. 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. If the amount of the credit allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.

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

(1) A taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty percent of the premium paid during the taxable year for long-term care insurance**; provided, however, that for taxable years commencing on or after January first, two thousand seventeen and before January first, two thousand twenty-one, such credit shall be forty percent of the premium paid during the taxable year for long-term care insurance**. 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.

§ 5. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after January 1, 2017.