

6893

2009-2010 Regular Sessions

I N   A S S E M B L Y

March 13, 2009

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

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

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 17 of part B of chapter 58 of the laws of 2004, 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, other than the taxes and fees imposed by  
6     sections one hundred eighty and one hundred eighty-one of this article,  
7     equal to [twenty] SEVENTY-FIVE percent of the premium paid during the  
8     taxable year [for] IN WHICH THE long-term care insurance WAS PURCHASED,  
9     FIFTY PERCENT OF THE PREMIUM PAID IN THE FOLLOWING YEAR AND TWENTY-FIVE  
10    PERCENT OF THE PREMIUM PAID IN THE THIRD YEAR. In order to qualify for  
11    such credit, the taxpayer's premium payment must be for the purchase of  
12    or for continuing coverage under a long-term care insurance policy that  
13    qualifies for such credit pursuant to section one thousand one hundred  
14    seventeen of the insurance law.

15    S 2. Paragraph 1 of subsection (aa) of section 606 of the tax law, as  
16    amended by section 1 of part P of chapter 61 of the laws of 2005, is  
17    amended to read as follows:

18    (1) Residents. A taxpayer shall be allowed a credit against the tax  
19    imposed by this article equal to [twenty] SEVENTY-FIVE percent of the  
20    premium paid during the taxable year [for] IN WHICH THE long-term care  
21    insurance WAS PURCHASED, FIFTY PERCENT OF THE PREMIUM PAID IN THE  
22    FOLLOWING YEAR AND TWENTY-FIVE PERCENT OF THE PREMIUM PAID IN THE THIRD  
23    YEAR. In order to qualify for such credit, the taxpayer's premium  
24    payment must be for the purchase of or for continuing coverage under a  
25    long-term care insurance policy that qualifies for such credit pursuant

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

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1 to section one thousand one hundred seventeen of the insurance law. If  
2 the amount of the credit allowable under this subsection for any taxable  
3 year shall exceed the taxpayer's tax for such year, the excess may be  
4 carried over to the following year or years and may be deducted from the  
5 taxpayer's tax for such year or years.

6 S 3. Paragraph 1 of subsection (k) of section 1456 of the tax law, as  
7 amended by section 20 of part B of chapter 58 of the laws of 2004, is  
8 amended to read as follows:

9 (1) A taxpayer shall be allowed a credit against the tax imposed by  
10 this article equal to [twenty] SEVENTY-FIVE percent of the premium paid  
11 during the taxable year [for] IN WHICH THE long-term care insurance WAS  
12 PURCHASED, FIFTY PERCENT OF THE PREMIUM PAID IN THE FOLLOWING YEAR AND  
13 TWENTY-FIVE PERCENT OF THE PREMIUM PAID IN THE THIRD YEAR. In order to  
14 qualify for such credit, the taxpayer's premium payment must be for the  
15 purchase of or for continuing coverage under a long-term care insurance  
16 policy that qualifies for such credit pursuant to section one thousand  
17 one hundred seventeen of the insurance law.

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

21 (1) A taxpayer shall be allowed a credit against the tax imposed by  
22 this article equal to [twenty] SEVENTY-FIVE percent of the premium paid  
23 during the taxable year [for] IN WHICH THE long-term care insurance WAS  
24 PURCHASED, FIFTY PERCENT OF THE PREMIUM PAID IN THE FOLLOWING YEAR AND  
25 TWENTY-FIVE PERCENT OF THE PREMIUM PAID IN THE THIRD YEAR. In order to  
26 qualify for such credit, the taxpayer's premium payment must be for the  
27 purchase of or for continuing coverage under a long-term care insurance  
28 policy that qualifies for such credit pursuant to section one thousand  
29 one hundred seventeen of the insurance law.

30 S 5. Paragraph (a) of subdivision 25-a of section 210 of the tax law,  
31 as amended by section 18 of part B of chapter 58 of the laws of 2004, is  
32 amended to read as follows:

33 (a) A taxpayer shall be allowed a credit against the tax imposed by  
34 this article equal to [twenty] SEVENTY-FIVE percent of the premium paid  
35 during the taxable year [for] IN WHICH THE long-term care insurance WAS  
36 PURCHASED, FIFTY PERCENT OF THE PREMIUM PAID IN THE FOLLOWING YEAR AND  
37 TWENTY-FIVE PERCENT OF THE PREMIUM PAID IN THE THIRD YEAR. In order to  
38 qualify for such credit, the taxpayer's premium payment must be for the  
39 purchase of or for continuing coverage under a long-term care insurance  
40 policy that qualifies for such credit pursuant to section one thousand  
41 one hundred seventeen of the insurance law.

42 S 6. This act shall take effect immediately and shall apply to long-  
43 term care insurance contracts purchased or entered into on and after  
44 January 1, 2010.