

2559

2011-2012 Regular Sessions

I N S E N A T E

January 25, 2011

Introduced by Sen. SEWARD -- 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 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

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

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

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

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

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

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

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

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

43 S 6. This act shall take effect immediately and shall apply to long-
44 term care insurance contracts purchased or entered into on and after
45 January 1, 2012.