

9314

I N A S S E M B L Y

February 17, 2016

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

AN ACT to amend the tax law and the insurance law, in relation to 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:

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 NOT TO EXCEED ONE  
5 THOUSAND DOLLARS FOR EACH POLICY OF INSURANCE, against the tax imposed  
6 by this article equal to [twenty percent] THE AMOUNT of the premium paid  
7 during the taxable year for long-term care insurance. In order to quali-  
8 fy for such credit, the taxpayer's premium payment must be for the  
9 purchase of or for continuing coverage under a long-term care insurance  
10 policy that qualifies for such credit pursuant to section one thousand  
11 one hundred seventeen of the insurance law.

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

15 (a) General. A taxpayer shall be allowed a credit, NOT TO EXCEED ONE  
16 THOUSAND DOLLARS FOR EACH POLICY OF INSURANCE, against the tax imposed  
17 by this article equal to [twenty percent] THE AMOUNT of the premium paid  
18 during the taxable year for long-term care insurance. In order to quali-  
19 fy for such credit, the taxpayer's premium payment must be for the  
20 purchase of or for continuing coverage under a long-term care insurance  
21 policy that qualifies for such credit pursuant to section one thousand  
22 one hundred seventeen of the insurance law.

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

26 (1) Residents. A taxpayer shall be allowed a credit, NOT TO EXCEED ONE  
27 THOUSAND DOLLARS FOR EACH POLICY OF INSURANCE, against the tax imposed  
28 by this article equal to [twenty percent] THE AMOUNT of the premium paid

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

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1 during the taxable year for long-term care insurance. In order to quali-  
2 fy for such credit, the taxpayer's premium payment must be for the  
3 purchase of or for continuing coverage under a long-term care insurance  
4 policy that qualifies for such credit pursuant to section one thousand  
5 one hundred seventeen of the insurance law. If the amount of the credit  
6 allowable under this subsection for any taxable year shall exceed the  
7 taxpayer's tax for such year, the excess may be carried over to the  
8 following year or years and may be deducted from the taxpayer's tax for  
9 such year or years.

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

13 (1) A taxpayer shall be allowed a credit, NOT TO EXCEED ONE THOUSAND  
14 DOLLARS FOR EACH POLICY OF INSURANCE, against the tax imposed by this  
15 article equal to [twenty percent] THE AMOUNT of the premium paid during  
16 the taxable year for long-term care insurance. In order to qualify for  
17 such credit, the taxpayer's premium payment must be for the purchase of  
18 or for continuing coverage under a long-term care insurance policy that  
19 qualifies for such credit pursuant to section one thousand one hundred  
20 seventeen of the insurance law.

21 S 5. Paragraph 1 of subsection (g) of section 1117 of the insurance  
22 law, as amended by chapter 417 of the laws of 2001, is amended to read  
23 as follows:

24 (1) Except for certain group contracts described in paragraph four of  
25 this subsection, in order for premium payments for long-term care insur-  
26 ance to qualify for purposes of section one hundred ninety, subdivision  
27 [twenty-five-a] FOURTEEN of section two hundred [ten] TEN-B, subsection  
28 (aa) of section six hundred six[, subsection (k) of section one thousand  
29 four hundred fifty-six] and subsection (m) of section one thousand five  
30 hundred eleven of the tax law, the long-term care insurance must be  
31 approved by the superintendent pursuant to this subsection. Prior to  
32 approving any such insurance, the superintendent shall conclude that it  
33 meets minimum standards, including minimum loss ratio standards under  
34 this section or section three thousand two hundred twenty-nine of this  
35 chapter and is a qualified long-term care insurance contract as defined  
36 in section 7702B of the internal revenue code.

37 S 6. This act shall take effect on the first of January next succeed-  
38 ing the date on which it shall have become a law.