

STATE OF NEW YORK

2781

2019-2020 Regular Sessions

IN ASSEMBLY

January 25, 2019

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

AN ACT to amend the tax law, in relation to providing a refund for excess tax paid after long-term insurance credit is applied

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

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

4 (aa) Long-term care insurance credit. (1) Residents. A taxpayer shall
5 be allowed a credit against the tax imposed by this article equal to
6 twenty percent of the premium paid during the taxable year for long-term
7 care insurance. In order to qualify for such credit, the taxpayer's
8 premium payment must be for the purchase of or for continuing coverage
9 under a long-term care insurance policy that qualifies for such credit
10 pursuant to section one thousand one hundred seventeen of the insurance
11 law. [~~If the amount of the credit allowable under this subsection for~~
12 ~~any taxable year shall exceed the taxpayer's tax for such year, the~~
13 ~~excess may be carried over to the following year or years and may be~~
14 ~~deducted from the taxpayer's tax for such year or years.~~] The credit
15 under this subsection shall be allowed against the taxes imposed by this
16 article for the taxable year reduced by the credits permitted by this
17 article. If the credit exceeds the tax as so reduced, the taxpayer may
18 receive, and the comptroller, subject to a certificate of the commis-
19 sioner, shall refund as an overpayment, without interest, the amount of
20 such excess.

21 (2) Nonresidents and part-year residents. In the case of a nonresident
22 taxpayer or a part-year resident taxpayer, the credit determined under
23 this subsection shall be limited to the amount determined by multiplying
24 the amount of such credit by the New York source fraction as set forth
25 in paragraph three of subsection (e) of section six hundred one of this

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

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1 article. [~~The credit as so limited shall be applied as provided in para-~~
2 ~~graph one of this subsection.~~] If the amount of the credit allowable
3 under this subsection for any taxable year shall exceed the taxpayer's
4 tax for such year, the excess may be carried over to the following year
5 or years and may be deducted from the taxpayer's tax for such year or
6 years.

7 § 2. This act shall take effect immediately and shall apply to taxable
8 years beginning on or after the first of January next succeeding the
9 date on which it shall have become a law.