

STATE OF NEW YORK

6991

2021-2022 Regular Sessions

IN ASSEMBLY

April 19, 2021

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 § 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 § 3. Paragraph 1 of subsection (aa) of section 606 of the tax law, as
24 amended by section 1 of part E of chapter 59 of the laws of 2020, is
25 amended to read as follows:

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

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1 (1) Residents. There shall be allowed a credit against the tax imposed
2 by this article in an amount equal to [~~twenty percent~~] the amount of the
3 premiums paid during the taxable year for long-term care insurance. The
4 credit amount shall not exceed one thousand [~~five hundred~~] dollars for
5 each policy of insurance and shall be allowed only if the amount of New
6 York adjusted gross income required to be reported on the return is less
7 than two hundred fifty thousand dollars. In order to qualify for such
8 credit, the taxpayer's premium payment must be for the purchase of or
9 for continuing coverage under a long-term care insurance policy that
10 qualifies for such credit pursuant to section one thousand one hundred
11 seventeen of the insurance law. If the amount of the credit allowable
12 under this subsection for any taxable year shall exceed the taxpayer's
13 tax for such year, the excess may be carried over to the following year
14 or years and may be deducted from the taxpayer's tax for such year or
15 years.

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

19 (1) A taxpayer shall be allowed a credit, not to exceed one thousand
20 dollars for each policy of insurance, against the tax imposed by this
21 article equal to [~~twenty percent~~] the amount of the premium paid during
22 the taxable year for long-term care insurance. In order to qualify for
23 such credit, the taxpayer's premium payment must be for the purchase of
24 or for continuing coverage under a long-term care insurance policy that
25 qualifies for such credit pursuant to section one thousand one hundred
26 seventeen of the insurance law.

27 § 5. Paragraph 1 of subsection (g) of section 1117 of the insurance
28 law, as amended by chapter 417 of the laws of 2001, is amended to read
29 as follows:

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

43 § 6. This act shall take effect on the first of January next succeed-
44 ing the date on which it shall have become a law.