

STATE OF NEW YORK

7658

2025-2026 Regular Sessions

IN ASSEMBLY

April 4, 2025

Introduced by M. of A. STERN -- 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, paragraph 1 as
3 amended by section 1 of part E of chapter 59 of the laws of 2020, is
4 amended to read as follows:

5 (aa) Long-term care insurance credit. (1) Residents. There shall be
6 allowed a credit against the tax imposed by this article in an amount
7 equal to twenty percent of the premiums paid during the taxable year for
8 long-term care insurance. The credit amount shall not exceed one thou-
9 sand five hundred dollars and shall be allowed only if the amount of New
10 York adjusted gross income required to be reported on the return is less
11 than two hundred fifty thousand dollars. In order to qualify for such
12 credit, the taxpayer's premium payment must be for the purchase of or
13 for continuing coverage under a long-term care insurance policy that
14 qualifies for such credit pursuant to section one thousand one hundred
15 seventeen of the insurance law. [~~If the amount of the credit allowable
16 under this subsection for any taxable year shall exceed the taxpayer's
17 tax for such year, the excess may be carried over to the following year
18 or years and may be deducted from the taxpayer's tax for such year or
19 years.~~] The credit under this subsection shall be allowed against the
20 taxes imposed by this article for the taxable year reduced by the cred-
21 its permitted by this article. If the credit exceeds the tax as so
22 reduced, the taxpayer may receive, and the comptroller, subject to a
23 certificate of the commissioner, shall refund as an overpayment, without
24 interest, the amount of such excess.

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

LBD02589-01-5

1 (2) Nonresidents and part-year residents. In the case of a nonresident
2 taxpayer or a part-year resident taxpayer, the credit determined under
3 this subsection shall be limited to the amount determined by multiplying
4 the amount of such credit by the New York source fraction as set forth
5 in paragraph three of subsection (e) of section six hundred one of this
6 article. [~~The credit as so limited shall be applied as provided in para-~~
7 ~~graph one of this subsection.~~] If the amount of the credit allowable
8 under this subsection for any taxable year shall exceed the taxpayer's
9 tax for such year, the excess may be carried over to the following year
10 or years and may be deducted from the taxpayer's tax for such year or
11 years.

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