STATE OF NEW YORK

7105

2025-2026 Regular Sessions

IN SENATE

April 1, 2025

Introduced by Sen. LANZA -- 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 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:

Section 1. Subdivision 1 of section 190 of the tax law, as amended by section 102 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

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

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

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

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

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

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

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

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

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

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

§ 6. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.