
By: Senators Hollinger and Teitelbaum

Requested: October 23, 1996

Introduced and read first time: January 8, 1997

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Credit for Long-Term Care Insurance Premiums**

3 FOR the purpose of allowing an individual a credit against the State income tax for
4 certain long-term care insurance premiums paid by the individual; defining a
5 certain term; providing for the application of this Act; and generally relating to a
6 credit against the State income tax for certain long-term care insurance premiums.

7 BY adding to

8 Article - Tax - General

9 Section 10-708

10 Annotated Code of Maryland

11 (1988 Volume and 1996 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Tax - General**

15 10-708.

16 (A) IN THIS SECTION, "ELIGIBLE LONG-TERM CARE PREMIUMS" HAS THE
17 MEANING STATED IN § 213(D)(10) OF THE INTERNAL REVENUE CODE.

18 (B) AN INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX
19 IN AN AMOUNT EQUAL TO 5% OF THE ELIGIBLE LONG-TERM CARE PREMIUMS PAID
20 BY THE INDIVIDUAL DURING THE TAXABLE YEAR FOR LONG-TERM CARE
21 INSURANCE COVERING THE INDIVIDUAL, THE INDIVIDUAL'S SPOUSE, OR A
22 DEPENDENT, AS DEFINED IN § 152 OF THE INTERNAL REVENUE CODE.

23 (C) THE CREDIT ALLOWED UNDER THIS SECTION DOES NOT AFFECT THE
24 TREATMENT UNDER THIS TITLE OF ANY DEDUCTION OR EXCLUSION ALLOWED FOR
25 FEDERAL INCOME TAX PURPOSES FOR THE ELIGIBLE LONG-TERM CARE PREMIUMS
26 PAID BY THE INDIVIDUAL.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 July 1, 1997 and shall be applicable to all taxable years beginning after December 31,
29 1996.

