

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by adding
5 Section 216 as follows:

6 (35 ILCS 5/216 new)

7 Sec. 216. Tax credit for long-term care insurance premiums.
8 For taxable years ending on or after December 31, 2006 and
9 ending on or before December 30, 2011, each individual taxpayer
10 is entitled to a credit against the tax imposed by subsections
11 (a) and (b) of Section 201 in an amount equal to 25% of the
12 premium costs paid by the taxpayer during the taxable year for
13 each qualified long-term care insurance contract, as defined by
14 Section 7702B of the Internal Revenue Code, purchased on or
15 after January 1, 2006 that offers coverage to either the
16 taxpayer or to the taxpayer's spouse, parent, or dependent, as
17 defined in Section 152 of the Internal Revenue Code. The credit
18 allowed under this Section may not exceed \$100 for each
19 qualified long-term care policy or the amount of the taxpayer's
20 liability under this Act, whichever is less. If the amount of
21 the credit exceeds the taxpayer's liability under this Act for
22 the year, then the excess may not reduce the taxpayer's
23 liability to less than zero and may not be carried forward to
24 apply to the taxpayer's liability for any succeeding year. A
25 taxpayer is not entitled to the credit with respect to amounts
26 expended for the same qualified long-term care insurance
27 contract that are claimed by another taxpayer.

28 Section 99. Effective date. This Act takes effect upon
29 becoming law.