



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1653

Introduced 2/15/2011, by Rep. Patricia R. Bellock

SYNOPSIS AS INTRODUCED:

35 ILCS 5/221 new

Amends the Illinois Income Tax Act. Allows an income tax credit in an amount equal to 15% of the premium costs paid for a qualified long term care insurance contract covering the individual taxpayer or the taxpayer's spouse, parent, or dependent. Provides that the credit may not exceed \$200 or the taxpayer's liability, whichever is less. Prohibits the carry forward of an excess tax credit to a succeeding year's tax liability. Exempts the credit from the sunset provisions. Effective January 1, 2012.

LRB097 08380 HLH 48507 b

1 AN ACT to amend the Illinois Income Tax Act.

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 221 as follows:

6 (35 ILCS 5/221 new)

7 Sec. 221. Tax credit for long term care insurance premiums.
8 For taxable years ending on or after December 31, 2012, an
9 individual taxpayer is entitled to a credit against the tax
10 imposed by subsections (a) and (b) of Section 201 in an amount
11 equal to 15% of the premium costs paid by the taxpayer during
12 the taxable year for a qualified long term care insurance
13 contract as defined by Section 7702B of the Internal Revenue
14 Code that offers coverage to either the individual or the
15 individual's spouse, parent, or dependent as defined in Section
16 152 of the Internal Revenue Code. The credit allowed under this
17 Section may not exceed \$200 for each qualified long term care
18 policy or the amount of the taxpayer's liability under this
19 Act, whichever is less. A taxpayer is not entitled to the
20 credit with respect to amounts expended for the same qualified
21 long term care insurance contract that are claimed by another
22 taxpayer. If the amount of the credit exceeds the taxpayer's
23 liability under this Act for the year, then the excess may not

1 be carried forward to apply to the taxpayer's liability for the
2 succeeding year. The provisions of Section 250 do not apply to
3 the credit under this Section.

4 Section 99. Effective date. This Act takes effect on
5 January 1, 2012.