

By: Senator(s) Dawkins, Williamson

To: Finance

SENATE BILL NO. 2595

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR PREMIUM COSTS PAID  
2 DURING THE TAXABLE YEAR FOR CERTAIN QUALIFIED LONG-TERM CARE  
3 INSURANCE POLICIES; TO LIMIT THE MAXIMUM AMOUNT OF THE CREDIT; TO  
4 PROVIDE THAT ANY UNUSED TAX CREDIT SHALL NOT BE ALLOWED TO BE  
5 CARRIED FORWARD TO APPLY TO THE TAXPAYER'S SUCCEEDING YEARS' TAX  
6 LIABILITY; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** (1) A taxpayer shall be allowed a credit against  
9 the income taxes imposed under this chapter in an amount equal to  
10 fifteen percent (15%) of the premium costs paid during the taxable  
11 year for a qualified long-term care insurance policy as defined in  
12 Section 7702B of the Internal Revenue Code that offers coverage to  
13 either the individual, the individual's spouse, parent or a  
14 dependent as defined in Section 152 of the Internal Revenue Code.

15 (2) No taxpayer shall be entitled to the credit with respect  
16 to the same expended amounts for qualified long-term care  
17 insurance which are claimed by another taxpayer.

18 (3) The credit allowed by this section shall not exceed Five  
19 Hundred Dollars (\$500.00) or the taxpayers income tax liability,  
20 whichever is less, for each qualified long-term care insurance  
21 policy. Any unused tax credit shall not be allowed to be carried  
22 forward to apply to the taxpayer's succeeding years' tax  
23 liability.

24 (4) No credit shall be allowed under this section with  
25 respect to any premium for qualified long-term care insurance  
26 either deducted or subtracted by the taxpayer in arriving at his  
27 net taxable income under this section or with respect to any  
28 premiums for qualified long-term care insurance which were  
29 excluded from his net taxable income.

30           **SECTION 2.** Section 1 of this act shall be codified in  
31 Chapter 7, Title 27, Mississippi Code of 1972.

32           **SECTION 3.** This act shall take effect and be in force from  
33 and after January 1, 2005.