

By: Senator(s) Robertson, Burton, Chaney, Fillingane, Frazier, Harden, Jackson (11th), Jordan, Kirby, Mettetal, Morgan, Pickering, Simmons, White

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2337

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR PREMIUMS 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 twenty-five percent (25%) of the premium costs paid during the  
11 taxable year for a qualified long-term care insurance policy as  
12 defined in Section 7702B of the Internal Revenue Code that offers  
13 coverage to either the individual, the individual's spouse, the  
14 individual's parent or parent-in-law, or the individual's  
15 dependent as defined in Section 152 of the Internal Revenue Code.

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

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

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

29 premiums for qualified long-term care insurance which were  
30 excluded from his net taxable income.

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

33         **SECTION 3.** This act shall take effect and be in force from  
34 and after January 1, 2007.