



# Claim for Long-Term Care Insurance Credit

Tax Law - Section 606(aa)

Name(s) as shown on return

Identifying number as shown on return

Attach this form to Form IT-201, IT-203, IT-204, or IT-205.

### Schedule A — Individuals (including sole proprietors), partnerships, and fiduciaries

1 Qualified long-term care insurance premiums paid for the current tax year .....	1.		
2 Credit rate (10%) .....	2.		.10
3 Credit for qualified long-term care insurance (multiply line 1 by line 2) .....	3.		

**Transfer line 3 amount as follows:**      **Fiduciaries** – Include the amount from line 3 in the *Total* line of Schedule D, column C.  
**All others** – Enter the amount from line 3 on Schedule E, line 8.

### Schedule B — Partnership, S corporation, estate, and trust information

If you were a partner in a partnership, a shareholder of a New York S corporation, or a beneficiary of an estate or trust and received a share of the long-term care insurance credit from that entity, complete the following information for each partnership, New York S corporation, estate, or trust. You must also complete Schedule C and Schedule E, and if applicable, Schedule D.



Name	Type*	Employer ID number

\* Enter **P** for a partnership, **S** for a New York S corporation, or **ET** for an estate or trust.

### Schedule C — Partner's, shareholder's, or beneficiary's share of credit

<b>Partner</b>			
4 Enter your share of the credit from your partnership (see instructions) .....	4.		
<b>S corporation shareholder</b>			
5 Enter your share of the credit from your S corporation (see instructions) .....	5.		
<b>Beneficiary</b>			
6 Enter your share of the credit from the <b>fiduciary's</b> Form IT-249, Schedule D, column C .....	6.		
7 <b>Total</b> (add lines 4, 5, and 6) .....	7.		

**Transfer line 7 amount as follows:**      **Fiduciaries** – Include the amount from line 7 in the *Total* line of Schedule D, column C.  
**All others** – Enter the amount from line 7 on Schedule E, line 9.

### Schedule D — Beneficiary's and fiduciary's share of credit for qualified long-term care insurance

A Beneficiary's name (same as on Form IT-205, Schedule C)	B Identifying number	C Share of qualified long-term care insurance credit
Total (enter the amount from Schedule A, line 3, plus the amount from Schedule C, line 7)		
a)		
b)		
Fiduciary		

### Schedule E — Computation of credit

<b>Individuals and partnerships</b>			
8 Enter the amount from Schedule A, line 3 .....	8.		
<b>Partners, S corporation shareholders, and beneficiaries</b>			
9 Enter the total from Schedule C, line 7 .....	9.		
<b>Fiduciaries</b>			
10 Enter the amount from Schedule D, fiduciary line, column C .....	10.		
11 Available carryover of unused credit from preceding period(s) (see instructions; attach computation) .....	11.		
12 <b>Total credit</b> (add lines 8, 9, 10, and 11; see instructions) .....	12.		

# Instructions

## General information

Taxpayers who pay premiums for qualified long-term care insurance may claim a credit against their personal income tax for tax years beginning on or after January 1, 2002. The credit is equal to 10% of the premiums paid during the tax year for the purchase of or for continuing coverage under a qualifying long-term care insurance policy.

A *qualifying long-term care insurance policy* is one that:

- is approved by the New York State Superintendent of Insurance under section 1117 (g) of the Insurance Law; **and**
- is a qualified long-term care insurance contract under section 7702B of the Internal Revenue Code (IRC). (Note that section 7702B relates to policies for which a federal itemized deduction is allowed.)

**or**

- is a group contract delivered or issued for delivery outside New York State; **and**
- the group contract is a qualified long-term care insurance contract under section 7702B of the IRC. The premiums paid for this insurance qualify for the credit even if the policy is not approved by the New York State Superintendent of Insurance.

A *qualified long-term care insurance contract* under section 7702B of the IRC is an insurance contract that provides only coverage of qualified long-term care services. The contract must:

1. be guaranteed renewable;
2. not provide for cash surrender value or other money that can be paid, assigned, pledged, or borrowed;
3. provide that refunds, other than refunds on the death of the insured or complete surrender or cancellation of the contract, and dividends under the contract must be used only to reduce future premiums or increase future benefits; **and**
4. generally not pay or reimburse expenses incurred for services or items that would be reimbursed under Medicare, except where Medicare is a secondary payer, or the contract makes per diem or other periodic payments without regard to expenses.

The insurance company that issued your policy should be able to tell you if the policy qualifies under section 7702B of the IRC.

This credit is not refundable. If the amount of credit exceeds the taxpayer's tax for the year, the excess may be carried over to the following year or years.

### Who is eligible to claim this credit:

- individuals;
- estates or trusts;
- partners in a partnership (including members of an LLC treated as a partnership for federal income tax purposes);
- shareholders of a New York S corporation; **and**
- beneficiaries of an estate or trust.

## Line Instructions

**Partners in a partnership, shareholders of a New York S corporation and beneficiaries of an estate or trust:** complete Schedule B, Schedule C, and Schedule E, and if applicable, Schedule D.

**Individuals (including sole proprietors), and partnerships:** complete Schedule A and Schedule E, and if applicable, Schedule B, Schedule C, and Schedule D.

**Fiduciaries:** complete Schedule A, Schedule D, and Schedule E, and if applicable, Schedule B and Schedule C. An estate or trust that divides the credit among itself and its beneficiaries must attach Form IT-249 to Form IT-205 showing each beneficiary's share of credit.

### Schedule A — Individuals (including sole proprietors), partnerships, and fiduciaries

**Line 1** — Enter the amount of premiums paid during the year for qualified long-term care insurance.

Include on line 1:

- any premiums you paid as an individual for qualified long-term care insurance, **and**
- any premiums you paid for qualified long-term care insurance as an employer for an employer-sponsored health insurance plan and the premiums were not included in box 1 of your employees' federal Forms W-2.

Do not include on line 1:

- any qualified long-term care insurance premiums paid for you by an employer-sponsored health insurance plan unless the premiums are included in box 1 of your federal Form W-2, **and**
- insurance premiums paid with pretax dollars because they are not included in box 1 of your federal Form W-2.

If you are married and filing a joint return, include the total premiums paid by you and your spouse.

### Schedule B — Partnership, S corporation, and estate or trust information

Enter the appropriate information for each partnership, New York S corporation, or estate or trust for which you received a share of the credit for qualified long-term care insurance. If you need more space attach a separate schedule.

### Schedule C — Partner's, shareholder's, or beneficiary's share of credit

Enter your share of the credit received from a partnership, New York S corporation, or an estate or trust on the appropriate line. This information can be obtained from the partnership, New York S corporation, or the estate or trust. If you belong to more than one partnership, New York S corporation or estate or trust, enter the total of all your shares of the credit on the appropriate line. Fiduciaries: include on line 6 only your share of the credit from another estate or trust.

### Schedule D — Beneficiary's and fiduciary's share of credit

If an estate or trust allocates or assigns the credit to its beneficiaries, base the division on each beneficiary's proportionate share of income of the estate or trust.

### Schedule E — Computation of credit

Complete line 8, 9, 10, or 11 as applicable.

**Line 11** — Enter the amount of net credit available for carryover to 2003. The net credit available for carryover is that portion of your prior year's credit from 2002 Form IT-201-ATT, line 63; 2002 Form IT-203-B, line 49; 2002 Form IT-204, line 28; or 2002 Form IT-205, line 10, that was not applied to your 2002 tax.

**Line 12** — Enter the total of lines 8, 9, 10, and 11 here and on Form IT-201-ATT, line 63; Form IT-203-B, line 49; Form IT-204, line 28; or Form IT-205, line 10.

## Need help?



**Internet access:** [www.nystax.gov](http://www.nystax.gov)  
(for information, forms, and publications)



**Fax-on-demand forms:** 1 800 748-3676



**Business Tax Information Center:** 1 800 972-1233  
From areas outside the U.S. and outside Canada: (518) 485-6800

**Hearing and speech impaired** (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110

