
OLR Bill Analysis

SB 173

AN ACT CONCERNING AN INCOME TAX DEDUCTION FOR LONG-TERM CARE INSURANCE PREMIUMS.

SUMMARY:

This bill creates a state income tax deduction for long-term care insurance premiums. It allows tax filers to reduce their Connecticut adjusted gross income by the amount of any of these premiums they paid during the taxable year.

Under the bill, eligible long-term care insurance policies must provide benefits for treating an injury, illness, or loss of functional capacity in a setting other than an acute care hospital, such as a nursing home or the insured's home. They do not include policies that primarily provide Medicare supplemental coverage or major medical expense coverage, among other exclusions.

EFFECTIVE DATE: Upon passage and applicable to tax years commencing on or after January 1, 2014.

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 12 Nay 0 (03/11/2014)