OLR Bill Analysis

SB 563

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

**SUMMARY**

This bill creates a personal income tax deduction for long-term care (LTC) insurance premiums. It allows taxpayers to reduce their Connecticut adjusted gross income by the amount of any LTC insurance premiums they paid in the taxable year.

Under the bill, eligible premiums are those for individual or group LTC insurance policies that provide benefits for treating an injury, illness, or loss of functional capacity in a setting other than an acute care hospital (e.g., a nursing home or an insured’s home). An LTC policy does not include a policy that primarily provides Medicare supplemental coverage, disability income protection coverage, or major medical expense coverage, among other exclusions.

**EFFECTIVE DATE:** Upon passage and applicable to taxable years beginning on or after January 1, 2019.

**COMMITTEE ACTION**

Aging Committee

Joint Favorable

Yea 13  Nay 0  (02/20/2019)