

1 AN ACT to amend the Illinois Income Tax Act.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Income Tax Act is amended by  
5 adding Section 213 as follows:

6 (35 ILCS 5/213 new)

7 Sec. 213. Tax credit for long term care insurance  
8 premiums. For taxable years ending on or after December 31,  
9 2002, an individual taxpayer is entitled to a credit against  
10 the tax imposed by subsections (a) and (b) of Section 201 in  
11 an amount equal to 15% of the premium costs paid by the  
12 taxpayer during the taxable year for a qualified long term  
13 care insurance contract as defined by Section 7702B of the  
14 Internal Revenue Code that offers coverage to either the  
15 individual or the individual's spouse, parent, or dependent  
16 as defined in Section 152 of the Internal Revenue Code. The  
17 credit allowed under this Section may not exceed \$200 for  
18 each qualified long term care policy or the amount of the  
19 taxpayer's liability under this Act, whichever is less. A  
20 taxpayer is not entitled to the credit with respect to  
21 amounts expended for the same qualified long term care  
22 insurance contract that are claimed by another taxpayer. If  
23 the amount of the credit exceeds the taxpayer's liability  
24 under this Act for the year, then the excess may not be  
25 carried forward to apply to the taxpayer's liability for the  
26 succeeding year. The provisions of Section 250 do not apply  
27 to the credit under this Section.

28 (Source: P.A. 91-700, eff. 5-11-00.)

29 Section 99. Effective date. This Act takes effect on  
30 January 1, 2002.