

Instructions

General information

Corporate taxpayers who pay premiums for qualifying long-term care insurance policies may claim a credit against the taxes imposed by Article 9, sections 183, 184, 186, 186-a, and 186-e and Articles 9-A and 33. The credit is equal to 20% of the premiums paid during the tax year for the purchase of, or for continuing coverage under, a long-term care insurance policy that qualifies for the credit pursuant to Insurance Law section 1117. Individuals use Form IT-249, *Claim for Long-Term Care Insurance Credit*, to claim the credit.

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

- approved by the New York State Superintendent of Insurance pursuant to Insurance Law section 1117(g); **or**
- a group contract delivered or issued for delivery outside of New York State that is a qualified long-term care insurance contract as defined in Internal Revenue Code (IRC) section 7702B. (Note: IRC section 7702B relates to policies for which a federal itemized deduction is allowed.)

This credit is not refundable. However, any portion of the credit that cannot be applied to the tax for the current tax year may be carried forward indefinitely to the following tax year or years.

The credit may not reduce the tax to less than the following:

- the applicable minimum tax fixed by Article 9, section 183 or 186
- the fixed dollar minimum under Article 9-A
- \$250 under Article 33

Under Article 9, the credit must first be deducted from the taxes imposed by section 183 or 186. Any credit remaining must then be deducted from the taxes imposed by section 184.

The credit is not allowed against the metropolitan transportation business tax (MTA surcharge) under Article 9, 9-A, or 33.

Line instructions

New York S corporations: Complete only lines 1 through 5, and transfer the line 5 amount to the applicable line of Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule*.

Line 3 – If you are a corporate partner receiving a long-term care insurance credit from a partnership, include on line 3 your pro rata share of the long-term care insurance credit passed through to you from the partnership.

Enter in the *Partnership information* area the name, identifying number, and credit amount for each partnership that passed the credit through to you.

Lines 6 and 9 entries table

Section 1		
Franchise tax return filed	Enter on line 6 any net recaptured tax credits plus the amount from	Enter on line 9 the amount below
Forms CT-183 and CT-184	Form CT-183, line 4 plus Form CT-184, line 3 or 4	75
Form CT-186	Line 5	125
Form CT-3	Part 2, line 2	Part 2, line 1c
Form CT-3-A	Part 2, line 2	Part 2, line 1c
Form CT-33	Line 11	250
Form CT-33-A	Line 15	Line 4 plus line 12
Form CT-33-NL	Line 5	250
Section 2		
Tax return filed	Enter on line 6 any net recaptured tax credits plus the amount from	Enter on line 9 the amount below
Form CT-186-E	Line 39 + line 88 + line 115	0
Form CT-186-P	Line 4	0

Line 6 – Enter your tax before credits using the *Lines 6 and 9 entries table* above. The long-term care insurance credit can be applied to taxes as computed on the forms listed in the table above. However, the credit cannot be applied against both a franchise tax return listed in Section 1 and a tax return listed in Section 2.

Line 7 – If you are claiming more than one tax credit for this year, enter the amount of credits claimed before applying this credit. Otherwise enter **0**. You must apply certain credits before the long-term care insurance credit. Refer to the instructions of your franchise tax return to determine the order of credits that applies.

Article 9-A filers: Refer to Form CT-600-I, *Instructions for Form CT-600*, for the order of credits.

If you are included in a combined return, include any amount of tax credits being claimed by other members of the combined group, including the long-term care insurance credit, that you wish to apply before your long-term care insurance credit.

CT-33 and CT-33-A filers, including unauthorized insurance corporations: Do not enter on this line any amount of empire zone (EZ) wage tax credits, zone equivalent area (ZEA) wage tax credits, or EZ capital tax credits you may be claiming. If you are included in a combined return, do not include any amount of these tax credit(s) being claimed by other members of the combined group.

Line 9 – Enter the amount using the *Lines 6 and 9 entries table* above.

Line 11 – Enter the lesser of line 5 or line 10 and transfer this amount to your franchise tax return.

Need help? and Privacy notification

See Form CT-1, *Supplement to Corporation Tax Instructions*.

