290.0672 LONG-TERM CARE INSURANCE CREDIT.

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Long-term care insurance" means a policy that:

(1) qualifies for a deduction under section 213 of the Internal Revenue Code, disregarding the adjusted gross income test; or meets the requirements given in section 62A.46; or provides similar coverage issued under the laws of another jurisdiction; and

(2) has a lifetime long-term care benefit limit of not less than $100,000; and

(3) has been offered in compliance with the inflation protection requirements of section 62S.23.

(c) "Qualified beneficiary" means the taxpayer or the taxpayer's spouse.

(d) "Premiums deducted in determining net income" means the lesser of (1) long-term care insurance premiums that qualify as deductions under section 213 of the Internal Revenue Code; and (2) the total amount deducted for medical care under section 290.0122, subdivision 6.

Subd. 2. **Credit.** A taxpayer is allowed a credit against the tax imposed by this chapter for long-term care insurance policy premiums paid during the tax year. The credit for each policy equals 25 percent of premiums paid to the extent not deducted in determining taxable net income. A taxpayer may claim a credit for only one policy for each qualified beneficiary. A maximum of $100 applies to each qualified beneficiary. The maximum total credit allowed per year is $200 for married couples filing joint returns and $100 for all other filers. For a nonresident or part-year resident, the credit determined under this section must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

History: *1997 c 231 art 5 s 7; 2000 c 490 art 4 s 20,21; 1Sp2017 c 1 art 13 s 9; 1Sp2019 c 6 art 1 s 40,41*