

SENATE BILL NO. 2042

Introduced by

Legislative Council

(Insurance and Health Care Committee)

(Senators Mathern, Thane)

(Representatives Glassheim, Wald, Price, Svedjan)

1 A BILL for an Act to create and enact a new section to chapter 26.1-45, a new section to
2 chapter 57-38, and a new subsection to section 57-38-30.3 of the North Dakota Century Code,
3 relating to qualifications of qualified care providers, a short-form income tax credit for premiums
4 paid for long-term care insurance coverage, and an employer tax credit for premiums paid for
5 long-term care insurance coverage; to amend and reenact section 57-38-29.2 of the North
6 Dakota Century Code, relating to an income tax credit for premiums paid for long-term care
7 insurance coverage; and to provide an effective date.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1.** A new section to chapter 26.1-45 of the North Dakota Century Code is
10 created and enacted as follows:

11 **Qualified service providers.** Any insurance company providing long-term care
12 coverage for home and community-based services shall pay a provider meeting qualified
13 service provider standards an essential and appropriate daily payment allowance as defined in
14 the policy or certificate. "Home and community-based services" include homemaker services,
15 nonmedical transportation, chore services, respite care, home health aide services, case
16 management, family home care, personal attendant care, and any other services essential and
17 appropriate to sustain individuals in their homes and their communities and to delay or prevent
18 institutional care. "Qualified service provider" means a county agency or independent
19 contractor that agrees to meet standards for service and operations established by the
20 department of human services.

21 **SECTION 2. AMENDMENT.** Section 57-38-29.2 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-38-29.2. Credit for premiums for long-term care insurance coverage.** A credit
24 against an individual's tax liability under this chapter is hereby provided to each taxpayer in the

1 amount of twenty-five percent of any premiums paid by the taxpayer for long-term care
2 insurance coverage for the taxpayer or the taxpayer's spouse, parent, or stepparent. The credit
3 under this section for each ~~policy purchased under this chapter~~ insured individual may not
4 exceed one hundred dollars in any taxable year.

5 **SECTION 3.** A new subsection to section 57-38-30.3 of the North Dakota Century Code
6 is created and enacted as follows:

7 An individual is entitled to credit against the tax due under this section in the
8 amount of twenty-five percent of any premiums paid by the taxpayer for long-term
9 care insurance coverage for the taxpayer or the taxpayer's spouse, child, parent, or
10 stepparent. The credit under this section for each insured individual may not
11 exceed one hundred dollars in any taxable year.

12 **SECTION 4.** A new section to chapter 57-38 of the North Dakota Century Code is
13 created and enacted as follows:

14 **Employer credit for long-term care premiums.** An employer who provides long-term
15 care insurance to its employees may claim a credit in the amount of twenty-five percent of any
16 premiums paid by the employer. The credit under this section may not exceed one hundred
17 dollars per employee.

18 **SECTION 5. EFFECTIVE DATE.** Sections 2, 3, and 4 of this Act are effective for
19 taxable years beginning after January 1, 1997.