

Introduced by Senator Gaines

February 24, 2012

An act to amend Section 17020.6 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1552, as introduced, Gaines. Taxation: qualified long-term care insurance.

The Personal Income Tax Law conforms to the federal Internal Revenue Code with regard to qualified long-term care insurance, with certain exceptions.

This bill would remove the exceptions, and would conform the Personal Income Tax Law to the federal income tax law with regard to qualified long-term care insurance, as provided.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17020.6 of the Revenue and Taxation
- 2 Code is amended to read:
- 3 17020.6. For purposes of this part:
- 4 (a) Section 7702 of the Internal Revenue Code, relating to life
- 5 insurance contracts, shall apply, ~~except as otherwise provided.~~
- 6 (b) Section 7702A of the Internal Revenue Code, relating to
- 7 modified endowment contract defined, shall apply, ~~except as~~
- 8 ~~otherwise provided.~~

1 (c) ~~(1)~~ Section 7702B of the Internal Revenue Code, relating
2 to treatment of qualified long-term care insurance, shall apply;
3 except as otherwise provided.

4 ~~(2) The amendments made by Section 844 of the Pension~~
5 ~~Protection Act of 2006 (Public Law 109-280) to Section 7702B~~
6 ~~of the Internal Revenue Code shall not apply.~~

7 SEC. 2. This act provides for a tax levy within the meaning of
8 Article IV of the Constitution and shall go into immediate effect.

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