

Relief for Premiums under Qualifying Long-Term Care Policies

15-01-35

This document should be read in conjunction with section 470A of the Taxes Consolidation Act

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NB: With effect from the year of assessment 2010 tax relief is no longer available under section 470A TCA 1997.

Section 470A of the Taxes Consolidation Act 1997 provided for tax relief, similar to that currently available for medical insurance, in respect of premiums on qualifying insurance policies designed to provide cover, in whole or in part, for future care needs of individuals who are unable to perform at least two activities of daily living or are suffering from severe cognitive impairment.

The relief was at the standard rate and was given under a relief at source system i.e., the subscriber was able to deduct the relief from the gross premium due. The amount deducted was refunded by Revenue to the insurer.

Benefits payable under a qualifying policy were not taxable. Qualifying policies were required to be approved by Revenue and could have been taken out by an individual in relation to himself or herself, his or her spouse and children and other relatives.

Policies were generally required to be renewable, standalone and could not provide for a termination lump sum payment or surrender for cash.