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HOUSE BILL

**55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO TAXATION; ADDING PHARMACISTS, SOCIAL WORKERS AND CERTAIN BEHAVIORAL HEALTH THERAPISTS TO THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-2-18.22 NMSA 1978 (being Laws 2007, Chapter 361, Section 2) is amended to read:

"7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER TAX CREDIT.--

A. A taxpayer who files an individual New Mexico tax return, who is not a dependent of another individual, who is an eligible health care practitioner and who has provided health care services in New Mexico in a rural health care underserved area in a taxable year may claim a credit against the tax liability imposed by the Income Tax Act. The credit

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1 provided in this section may be referred to as the "rural  
2 health care practitioner tax credit".

3 B. The rural health care practitioner tax credit  
4 may be claimed and allowed in an amount that shall not exceed  
5 five thousand dollars (\$5,000) for all eligible health care  
6 practitioners, including physicians, osteopathic physicians,  
7 dentists, clinical psychologists, podiatrists, ~~[and]~~  
8 optometrists, ~~[who qualify pursuant to the provisions of this~~  
9 ~~section, except the credit shall not exceed three thousand~~  
10 ~~dollars (\$3,000) for all eligible]~~ pharmacists, independent  
11 social workers, clinical mental health practitioners, marriage  
12 and family therapists, professional art therapists, dental  
13 hygienists, physician assistants, certified nurse-midwives,  
14 certified registered nurse anesthetists, certified nurse  
15 practitioners and clinical nurse specialists.

16 C. To qualify for the rural health care  
17 practitioner tax credit, an eligible health care practitioner  
18 shall have provided health care during a taxable year for at  
19 least two thousand eighty hours at a practice site located in  
20 an approved rural health care underserved area. An eligible  
21 rural health care practitioner who provided health care  
22 services for at least one thousand forty hours but less than  
23 two thousand eighty hours at a practice site located in an  
24 approved rural health care underserved area during a taxable  
25 year is eligible for one-half of the credit amount.

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1           D. Before an eligible health care practitioner may  
2 claim the rural health care practitioner tax credit, the  
3 practitioner shall submit an application to the department of  
4 health that describes the practitioner's clinical practice and  
5 contains additional information that the department of health  
6 may require. The department of health shall determine whether  
7 an eligible health care practitioner qualifies for the rural  
8 health care practitioner tax credit and shall issue a  
9 certificate to each qualifying eligible health care  
10 practitioner. The department of health shall provide the  
11 taxation and revenue department appropriate information for all  
12 eligible health care practitioners to whom certificates are  
13 issued.

14           E. A taxpayer claiming the credit provided by this  
15 section shall submit a copy of the certificate issued by the  
16 department of health with the taxpayer's New Mexico income tax  
17 return for the taxable year. If the amount of the credit  
18 claimed exceeds a taxpayer's tax liability for the taxable year  
19 in which the credit is being claimed, the excess may be carried  
20 forward for three consecutive taxable years.

21           F. As used in this section:

22                   (1) "eligible health care practitioner" means:

23                           (a) a certified nurse-midwife licensed  
24 by the board of nursing as a registered nurse and licensed by  
25 the public health division of the department of health to

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1 practice nurse-midwifery as a certified nurse-midwife;

2 (b) a dentist or dental hygienist  
3 licensed pursuant to the Dental Health Care Act;

4 (c) a pharmacist licensed pursuant to  
5 the Pharmacy Act;

6 [~~(e)~~] (d) an optometrist licensed  
7 pursuant to [~~the provisions of~~] the Optometry Act;

8 [~~(d)~~] (e) an osteopathic physician  
9 [~~licensed pursuant to the provisions of Chapter 61, Article 10~~  
10 ~~NMSA 1978~~] or an osteopathic physician assistant licensed  
11 pursuant to [~~the provisions of~~] the Osteopathic [~~Physicians+~~  
12 ~~Assistants~~] Medicine Act;

13 [~~(e)~~] (f) a physician or physician  
14 assistant licensed pursuant to [~~the provisions of Chapter 61,~~  
15 ~~Article 6 NMSA 1978~~] the Medical Practice Act;

16 [~~(f)~~] (g) a podiatrist licensed pursuant  
17 to [~~the provisions of~~] the Podiatry Act;

18 [~~(g)~~] (h) a clinical psychologist  
19 licensed pursuant to [~~the provisions of~~] the Professional  
20 Psychologist Act; [~~and~~

21 ~~(h)~~] (i) a registered nurse in advanced  
22 practice who has been prepared through additional formal  
23 education as provided in Sections 61-3-23.2 through 61-3-23.4  
24 NMSA 1978 to function beyond the scope of practice of  
25 professional registered nursing, including certified nurse

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1 practitioners, certified registered nurse anesthetists and  
2 clinical nurse specialists;

3 (j) an independent social worker  
4 licensed pursuant to the Social Work Practice Act; and

5 (k) a professional clinical mental  
6 health counselor, marriage and family therapist or professional  
7 art therapist licensed pursuant to the Counseling and Therapy  
8 Practice Act;

9 (2) "health care underserved area" means a  
10 geographic area or practice location in which it has been  
11 determined by the department of health, through the use of  
12 indices and other standards set by the department of health,  
13 that sufficient health care services are not being provided;

14 (3) "practice site" means a private practice,  
15 public health clinic, hospital, public or private nonprofit  
16 primary care clinic or other health care service location in a  
17 health care underserved area; and

18 (4) "rural" means an area or location  
19 identified by the department of health as falling outside of an  
20 urban area."

21 **SECTION 2. APPLICABILITY.**--The provisions of this act  
22 apply to taxable years beginning on or after January 1, 2021.