

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

AN ACT

RELATING TO TAXATION; AMENDING A SECTION OF THE GROSS RECEIPTS AND COMPENSATING TAX ACT TO PROVIDE FOR A DEDUCTION FROM GROSS RECEIPTS OF PAYMENTS FOR SERVICES RENDERED BY DIALYSIS FACILITIES.

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

SECTION 1. Section 7-9-77.1 NMSA 1978 (being Laws 1998, Chapter 96, Section 1, as amended) is amended to read:

"7-9-77.1. DEDUCTION--GROSS RECEIPTS TAX--CERTAIN MEDICAL AND HEALTH CARE SERVICES.--

A. Receipts from payments by the United States government or any agency thereof for provision of medical and other health services by medical doctors, osteopathic physicians, doctors of oriental medicine, athletic trainers, chiropractic physicians, counselor and therapist practitioners, dentists, massage therapists, naprapaths, nurses, nutritionists, dietitians, occupational therapists, optometrists, pharmacists, physical therapists, psychologists, radiologic technologists, respiratory care practitioners, audiologists, speech-language pathologists, social workers and podiatrists or of medical, other health and palliative services by hospices or nursing homes to medicare beneficiaries pursuant to the provisions of Title 18 of the federal Social Security Act may be deducted from gross

1 receipts.

2 B. Receipts from payments by a third-party
3 administrator of the federal TRICARE program for provision of
4 medical and other health services by medical doctors and
5 osteopathic physicians to covered beneficiaries may be
6 deducted from gross receipts.

7 C. Receipts from payments by or on behalf of the
8 Indian health service of the United States department of
9 health and human services for provision of medical and other
10 health services by medical doctors and osteopathic physicians
11 to covered beneficiaries may be deducted from gross receipts.

12 D. Receipts from payments by the United States
13 government or any agency thereof for medical services
14 provided by a clinical laboratory to medicare beneficiaries
15 pursuant to the provisions of Title 18 of the federal Social
16 Security Act may be deducted from gross receipts.

17 E. Receipts from payments by the United States
18 government or any agency thereof for medical, other health
19 and palliative services provided by a home health agency to
20 medicare beneficiaries pursuant to the provisions of Title 18
21 of the federal Social Security Act may be deducted from gross
22 receipts.

23 F. Receipts from payments by the United States
24 government or any agency thereof for medical and other health
25 services provided by a dialysis facility to medicare

1 beneficiaries pursuant to the provisions of Title 18 of the
2 federal Social Security Act may be deducted from gross
3 receipts according to the following schedule:

4 (1) from January 1, 2014 through December
5 31, 2014, thirty-three and one-third percent of the receipts
6 may be deducted;

7 (2) from January 1, 2015 through December
8 31, 2015, sixty-six and two-thirds percent of the receipts
9 may be deducted; and

10 (3) after December 31, 2015, one hundred
11 percent of the receipts may be deducted.

12 G. A taxpayer allowed a deduction pursuant to this
13 section shall report the amount of the deduction separately
14 in a manner required by the department.

15 H. The department shall compile an annual report
16 on the deductions created pursuant to this section that shall
17 include the number of taxpayers approved by the department to
18 receive each deduction, the aggregate amount of deductions
19 approved and any other information necessary to evaluate the
20 effectiveness of the deductions. Beginning in 2019 and every
21 five years thereafter, the department shall compile and
22 present the annual reports to the revenue stabilization and
23 tax policy committee and the legislative finance committee
24 with an analysis of the effectiveness and cost of the
25 deductions and whether the deductions are providing a benefit

1 to the state.

2 I. For the purposes of this section:

3 (1) "athletic trainer" means a person
4 licensed as an athletic trainer pursuant to the provisions of
5 Chapter 61, Article 14D NMSA 1978;

6 (2) "chiropractic physician" means a person
7 who practices chiropractic as defined in the Chiropractic
8 Physician Practice Act;

9 (3) "clinical laboratory" means a laboratory
10 accredited pursuant to 42 USCA 263a;

11 (4) "counselor and therapist practitioner"
12 means a person licensed to practice as a counselor or
13 therapist pursuant to the provisions of Chapter 61, Article
14 9A NMSA 1978;

15 (5) "dentist" means a person licensed to
16 practice as a dentist pursuant to the provisions of Chapter
17 61, Article 5A NMSA 1978;

18 (6) "dialysis facility" means an end-stage
19 renal disease facility as defined pursuant to 42 C.F.R.
20 405.2102;

21 (7) "doctor of oriental medicine" means a
22 person licensed as a physician to practice acupuncture or
23 oriental medicine pursuant to the provisions of Chapter 61,
24 Article 14A NMSA 1978;

25 (8) "home health agency" means a for-profit

1 entity that is licensed by the department of health and
2 certified by the federal centers for medicare and medicaid
3 services as a home health agency and certified to provide
4 medicare services;

5 (9) "hospice" means a for-profit entity
6 licensed by the department of health as a hospice and
7 certified to provide medicare services;

8 (10) "massage therapist" means a person
9 licensed to practice massage therapy pursuant to the
10 provisions of Chapter 61, Article 12C NMSA 1978;

11 (11) "medical doctor" means a person
12 licensed as a physician to practice medicine pursuant to the
13 provisions of the Medical Practice Act;

14 (12) "naprapath" means a person licensed as
15 a naprapath pursuant to the provisions of Chapter 61, Article
16 12F NMSA 1978;

17 (13) "nurse" means a person licensed as a
18 registered nurse pursuant to the provisions of Chapter 61,
19 Article 3 NMSA 1978;

20 (14) "nursing home" means a for-profit
21 entity licensed by the department of health as a nursing home
22 and certified to provide medicare services;

23 (15) "nutritionist" or "dietitian" means a
24 person licensed as a nutritionist or dietitian pursuant to
25 the provisions of Chapter 61, Article 7A NMSA 1978;

1 (16) "occupational therapist" means a person
2 licensed as an occupational therapist pursuant to the
3 provisions of Chapter 61, Article 12A NMSA 1978;

4 (17) "osteopathic physician" means a person
5 licensed as an osteopathic physician pursuant to the
6 provisions of Chapter 61, Article 10 NMSA 1978;

7 (18) "optometrist" means a person licensed
8 to practice optometry pursuant to the provisions of Chapter
9 61, Article 2 NMSA 1978;

10 (19) "pharmacist" means a person licensed as
11 a pharmacist pursuant to the provisions of Chapter 61,
12 Article 11 NMSA 1978;

13 (20) "physical therapist" means a person
14 licensed as a physical therapist pursuant to the provisions
15 of Chapter 61, Article 12D NMSA 1978;

16 (21) "podiatrist" means a person licensed as
17 a podiatrist pursuant to the provisions of the Podiatry Act;

18 (22) "psychologist" means a person licensed
19 as a psychologist pursuant to the provisions of Chapter 61,
20 Article 9 NMSA 1978;

21 (23) "radiologic technologist" means a
22 person licensed as a radiologic technologist pursuant to the
23 provisions of Chapter 61, Article 14E NMSA 1978;

24 (24) "respiratory care practitioner" means a
25 person licensed as a respiratory care practitioner pursuant

1 to the provisions of Chapter 61, Article 12B NMSA 1978;

2 (25) "social worker" means a person licensed
3 as an independent social worker pursuant to the provisions of
4 Chapter 61, Article 31 NMSA 1978;

5 (26) "speech-language pathologist" means a
6 person licensed as a speech-language pathologist pursuant to
7 the provisions of Chapter 61, Article 14B NMSA 1978; and

8 (27) "TRICARE program" means the program
9 defined in 10 U.S.C. 1072(7)."

10 SECTION 2. DELAYED REPEAL.--Section 7-9-77.1 (being
11 Laws 1998, Chapter 96, Section 1, as amended) is repealed
12 effective July 1, 2021.

13 SECTION 3. EFFECTIVE DATE.--The effective date of the
14 provisions of this act is January 1, 2014. _____

15
16
17
18
19
20
21
22
23
24
25