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HOUSE BILL 41

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

Thomas C. Taylor

AN ACT

RELATING TO TAXATION; CREATING A DEDUCTION FROM THE GROSS RECEIPTS TAX FOR RECEIPTS FROM PAYMENTS FROM A COMPENSATION PROGRAM ESTABLISHED BY THE FEDERAL ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT OF 2000; REQUIRING REPORTING OF GROSS RECEIPTS DEDUCTIONS ALLOWED PURSUANT TO SECTION 7-9-77.1 NMSA 1978 (BEING LAWS 1998, CHAPTER 96, SECTION 1, AS AMENDED).

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

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1 other health services by medical doctors, osteopathic
2 physicians, doctors of oriental medicine, athletic trainers,
3 chiropractic physicians, counselor and therapist practitioners,
4 dentists, massage therapists, naprapaths, nurses,
5 nutritionists, dietitians, occupational therapists,
6 optometrists, pharmacists, physical therapists, psychologists,
7 radiologic technologists, respiratory care practitioners,
8 audiologists, speech-language pathologists, social workers and
9 podiatrists or of medical, other health and palliative services
10 by hospices or nursing homes to medicare beneficiaries pursuant
11 to the provisions of Title 18 of the federal Social Security
12 Act may be deducted from gross receipts.

13 B. Receipts from payments by a third-party
14 administrator of the federal TRICARE program for provision of
15 medical and other health services by medical doctors and
16 osteopathic physicians to covered beneficiaries may be deducted
17 from gross receipts.

18 C. Receipts from payments from a compensation
19 program established by the federal Energy Employees
20 Occupational Illness Compensation Program Act of 2000 for
21 provision of medical and other health services by medical
22 doctors and osteopathic physicians to covered beneficiaries may
23 be deducted from gross receipts.

24 [~~G.~~] D. Receipts from payments by or on behalf of
25 the Indian health service of the United States department of

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1 health and human services for provision of medical and other
2 health services by medical doctors and osteopathic physicians
3 to covered beneficiaries may be deducted from gross receipts.

4 ~~[D-]~~ E. Receipts from payments by the United States
5 government or any agency thereof for medical services provided
6 by a clinical laboratory to medicare beneficiaries pursuant to
7 the provisions of Title 18 of the federal Social Security Act
8 may be deducted from gross receipts.

9 ~~[E-]~~ F. Receipts from payments by the United States
10 government or any agency thereof for medical, other health and
11 palliative services provided by a home health agency to
12 medicare beneficiaries pursuant to the provisions of Title 18
13 of the federal Social Security Act may be deducted from gross
14 receipts.

15 G. A taxpayer allowed a deduction pursuant to this
16 section shall report the amount of the deduction separately in
17 a manner required by the department.

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

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1 committee and the legislative finance committee with an
2 analysis of the effectiveness and cost of the deductions and
3 whether the deductions are providing a benefit to the state.

4 [F-] I. For the purposes of this section:

5 (1) "athletic trainer" means a person licensed
6 as an athletic trainer pursuant to the provisions of Chapter
7 61, Article 14D NMSA 1978;

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

11 (3) "clinical laboratory" means a laboratory
12 accredited pursuant to 42 USCA 263a;

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

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

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

23 (7) "home health agency" means a for-profit
24 entity that is licensed by the department of health and
25 certified by the federal centers for medicare and medicaid

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1 services as a home health agency and certified to provide
2 medicare services;

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

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

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

12 (11) "naprapath" means a person licensed as a
13 naprapath pursuant to the provisions of Chapter 61, Article
14 [~~12E~~] 12F NMSA 1978;

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

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

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

24 (15) "occupational therapist" means a person
25 licensed as an occupational therapist pursuant to the

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1 provisions of Chapter 61, Article 12A NMSA 1978;

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

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

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

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

14 (20) "podiatrist" means a person licensed as a
15 podiatrist pursuant to the provisions of the Podiatry Act;

16 (21) "psychologist" means a person licensed as
17 a psychologist pursuant to the provisions of Chapter 61,
18 Article 9 NMSA 1978;

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

22 (23) "respiratory care practitioner" means a
23 person licensed as a respiratory care practitioner pursuant to
24 the provisions of Chapter 61, Article 12B NMSA 1978;

25 (24) "social worker" means a person licensed

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1 as an independent social worker pursuant to the provisions of
2 Chapter 61, Article 31 NMSA 1978;

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

6 (26) "TRICARE program" means the program
7 defined in 10 U.S.C. 1072(7)."

8 SECTION 2. EFFECTIVE DATE.--The effective date of the
9 provisions of this act is July 1, 2014.