

1 HOUSE BILL 275

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

3 INTRODUCED BY

4 Gail Armstrong and Doreen Y. Gallegos and Rebecca Dow

10 AN ACT

11 RELATING TO TAXATION; ALLOWING ADDITIONAL HEALTH CARE
12 PRACTITIONERS TO CLAIM THE RURAL HEALTH CARE PRACTITIONER TAX
13 CREDIT; INCREASING THE AMOUNT OF CREDIT FOR CERTAIN REGISTERED
14 NURSES AND PHYSICIAN ASSISTANTS; REQUIRING THE TAXATION AND
15 REVENUE DEPARTMENT TO COMPILE AND PRESENT A REPORT ON THE
16 CREDIT; PROVIDING A TERMINATION DATE FOR THE CREDIT.

17
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

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

21 "7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER
22 TAX CREDIT.--

23 A. For taxable years prior to January 1, 2025, a
24 taxpayer who files an individual New Mexico tax return, who is
25 not a dependent of another individual, who is [~~an eligible~~] a

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1 health care practitioner described in Subsections B and C of
2 this section and who has provided health care services in New
3 Mexico in a rural health care underserved area in a taxable
4 year may claim a credit against the tax liability imposed by
5 the Income Tax Act. The credit provided in this section may be
6 referred to as the "rural health care practitioner tax credit".

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

17 (1) a certified nurse-midwife licensed by the
18 department of health;

19 (2) a chiropractic physician licensed pursuant
20 to the Chiropractic Physician Practice Act;

21 (3) a professional clinical mental health
22 counselor, marriage and family therapist, associate marriage
23 and family therapist or counselor, professional art therapist
24 or alcohol and drug abuse counselor licensed pursuant to the
25 provisions of the Counseling and Therapy Practice Act;

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1 (4) a dentist licensed pursuant to the Dental
2 Health Care Act;

3 (5) a physician or physician assistant
4 licensed pursuant to the Medical Practice Act;

5 (6) a certified nurse practitioner, certified
6 registered nurse anesthetist or clinical nurse specialist
7 licensed pursuant to the Nursing Practice Act;

8 (7) a nutritionist or dietitian licensed
9 pursuant to the Nutrition and Dietetics Practice Act;

10 (8) a person licensed to practice naprapathy
11 pursuant to the Naprapathic Practice Act;

12 (9) a naturopathic doctor licensed pursuant to
13 the Naturopathic Doctors' Practice Act;

14 (10) an occupational therapist licensed
15 pursuant to the Occupational Therapy Act;

16 (11) an optometrist licensed pursuant to the
17 Optometry Act;

18 (12) an osteopathic physician licensed
19 pursuant to the Osteopathic Medicine Act;

20 (13) a pharmacist licensed pursuant to the
21 Pharmacy Act;

22 (14) a physical therapist licensed pursuant to
23 the Physical Therapy Act;

24 (15) a podiatrist licensed pursuant to the
25 Podiatry Act;

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1 (16) a clinical psychologist licensed pursuant
2 to the Professional Psychologist Act;

3 (17) a licensed clinical social worker or
4 licensed independent social worker licensed pursuant to the
5 Social Work Practice Act; and

6 (18) a speech-language pathologist licensed
7 pursuant to the Speech-Language Pathology, Audiology and
8 Hearing Aid Dispensing Practices Act.

9 C. The rural health care practitioner tax credit
10 may be claimed and allowed in an amount not to exceed three
11 thousand dollars (\$3,000) for:

12 (1) a lay midwife licensed by the department
13 of health;

14 (2) a doctor of oriental medicine licensed
15 pursuant to the Acupuncture and Oriental Medicine Practice Act;

16 (3) a dental hygienist licensed pursuant to
17 the Dental Health Care Act;

18 (4) a massage therapist licensed pursuant to
19 the Massage Therapy Practice Act;

20 (5) an osteopathic physician assistant
21 licensed pursuant to the Osteopathic Medicine Act;

22 (6) a physical therapist assistant licensed
23 pursuant to the Physical Therapy Act; and

24 (7) a respiratory care practitioner licensed
25 pursuant to the Respiratory Care Act.

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1 ~~[G.]~~ D. To qualify for the rural health care
2 practitioner tax credit, ~~[an eligible health care practitioner]~~
3 a taxpayer shall have provided health care during a taxable
4 year for at least two thousand eighty hours at a practice site
5 located in an approved rural health care underserved area. ~~[An~~
6 ~~eligible rural health care practitioner]~~ A taxpayer who
7 provided health care services for at least one thousand forty
8 hours but less than two thousand eighty hours at a practice
9 site located in an approved rural health care underserved area
10 during a taxable year is eligible for one-half of the credit
11 amount.

12 ~~[D.]~~ E. Before ~~[an eligible health care~~
13 ~~practitioner]~~ a taxpayer may claim the rural health care
14 practitioner tax credit, the ~~[practitioner]~~ taxpayer shall
15 submit an application to the department of health that
16 describes the ~~[practitioner's]~~ taxpayer's clinical practice and
17 contains additional information that the department of health
18 may require. The department of health shall determine whether
19 ~~[an eligible health care practitioner]~~ the taxpayer qualifies
20 for the rural health care practitioner tax credit and shall
21 issue a certificate to each ~~[qualifying eligible health care~~
22 ~~practitioner]~~ taxpayer that meets the requirements of this
23 section. The department of health shall provide the taxation
24 and revenue department appropriate information for all
25 ~~[eligible health care practitioners]~~ taxpayers to whom

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1 certificates are issued.

2 ~~[E.]~~ F. A taxpayer claiming the credit provided by
3 this section shall submit a copy of the certificate issued by
4 the department of health with the taxpayer's New Mexico income
5 tax return for the taxable year in a manner required by the
6 taxation and revenue department. If the amount of the credit
7 claimed exceeds a taxpayer's tax liability for the taxable year
8 in which the credit is being claimed, the excess may be carried
9 forward for three consecutive taxable years.

10 G. The taxation and revenue department shall
11 compile an annual report on the rural health care practitioner
12 tax credit that shall include the number of taxpayers approved
13 by the department to receive the credit, the aggregate amount
14 of credits approved and any other information necessary to
15 evaluate the credit. The department shall present the report
16 to the revenue stabilization and tax policy committee and the
17 legislative finance committee with an analysis of the cost of
18 the tax credit.

19 ~~[F.]~~ H. As used in this section:

20 ~~[(1) "eligible health care practitioner"~~

21 means:

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

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

3 ~~(c) an optometrist licensed pursuant to~~
4 ~~the provisions of the Optometry Act;~~

5 ~~(d) an osteopathic physician licensed~~
6 ~~pursuant to the provisions of Chapter 61, Article 10 NMSA 1978~~
7 ~~or an osteopathic physician assistant licensed pursuant to the~~
8 ~~provisions of the Osteopathic Physicians' Assistants Act;~~

9 ~~(e) a physician or physician assistant~~
10 ~~licensed pursuant to the provisions of Chapter 61, Article 6~~
11 ~~NMSA 1978;~~

12 ~~(f) a podiatrist licensed pursuant to~~
13 ~~the provisions of the Podiatry Act;~~

14 ~~(g) a clinical psychologist licensed~~
15 ~~pursuant to the provisions of the Professional Psychologist~~
16 ~~Act; and~~

17 ~~(h) a registered nurse in advanced~~
18 ~~practice who has been prepared through additional formal~~
19 ~~education as provided in Sections 61-3-23.2 through 61-3-23.4~~
20 ~~NMSA 1978 to function beyond the scope of practice of~~
21 ~~professional registered nursing, including certified nurse~~
22 ~~practitioners, certified registered nurse anesthetists and~~
23 ~~clinical nurse specialists;~~

24 ~~(2)]~~ (1) "health care underserved area" means
25 a geographic area or practice location in which it has been

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1 determined by the department of health, through the use of
2 indices and other standards set by the department of health,
3 that sufficient health care services are not being provided;

4 ~~[(3)]~~ (2) "practice site" means a private
5 practice, public health clinic, hospital, public or private
6 nonprofit primary care clinic or other health care service
7 location in a health care underserved area; and

8 ~~[(4)]~~ (3) "rural" means an area or location
9 identified by the department of health as falling outside of an
10 urban area."

11 SECTION 2. APPLICABILITY.--The provisions of this act
12 apply to taxable years beginning on or after January 1, 2020.