

HOUSE BILL 82

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

INTRODUCED BY

Micaela Lara Cadena

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO TAXATION; HTRC→**MAKING**←HTRC HTRC→**EXTENDING**←HTRC A
GROSS RECEIPTS TAX DEDUCTION FOR DIALYSIS FACILITIES
HTRC→**PERMANENT**←HTRC; AMENDING THE DEFINITION OF "DIALYSIS
FACILITY" IN THE DEDUCTION.

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 by Laws 2021, Chapter 54,

.221818.1AIC February 3, 2022 (5:22pm)

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

Section 1 and by Laws 2021, Chapter 65, Section 24) is amended to read:

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

A. Receipts of a health care practitioner or an association of health care practitioners from payments by the United States government or any agency thereof for provision of medical and other health services by a health care practitioner or of medical or 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 receipts.

B. Receipts of a health care practitioner or an association of health care practitioners from payments by a third-party administrator of the federal TRICARE program for provision of medical and other health services by medical doctors and osteopathic physicians to covered beneficiaries may be deducted from gross receipts.

C. Receipts of a health care practitioner or an association of health care practitioners from payments by or on behalf of the Indian health service of the United States department of health and human services for provision of medical and other health services by medical doctors and osteopathic physicians to covered beneficiaries may be deducted from gross receipts.

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

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

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

F. [~~Prior to July 1, 2024~~] HTRC→Receipts←HTRC
HTRC→Prior to July 1, 2032, receipts←HTRC of a dialysis facility from payments by the United States government or any agency thereof for medical and other health services provided by the dialysis facility to medicare beneficiaries pursuant to the provisions of Title 18 of the federal Social Security Act may be deducted from gross receipts.

G. A taxpayer allowed a deduction pursuant to this section shall report the amount of the deduction separately in a manner required by the department. A taxpayer who has receipts that are deductible pursuant to this section and Section 7-9-93 NMSA 1978 shall deduct the receipts under this section prior to calculating the receipts that may be deducted

underscored material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight
delete = → bold, red, highlight, strikethrough

pursuant to Section 7-9-93 NMSA 1978.

H. The department shall compile an annual report on the deductions created pursuant to this section that shall include the number of taxpayers approved by the department to receive each deduction, the aggregate amount of deductions approved and any other information necessary to evaluate the effectiveness of the deductions. The department shall compile and present the annual reports to the revenue stabilization and tax policy committee and the legislative finance committee with an analysis of the effectiveness and cost of the deductions and whether the deductions are providing a benefit to the state.

I. For the purposes of this section:

(1) "association of health care practitioners" means a corporation, unincorporated business entity or other legal entity organized by, owned by or employing one or more health care practitioners; provided that the entity is not:

(a) an organization granted exemption from the federal income tax by the United States commissioner of internal revenue as organizations described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as that section may be amended or renumbered; or

(b) a health maintenance organization, hospital, hospice, nursing home or an entity that is solely an outpatient facility or intermediate care facility licensed pursuant to the Public Health Act;

.221818.1AIC February 3, 2022 (5:22pm)

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight↔
delete = →bold, red, highlight, strikethrough↔

(2) "clinical laboratory" means a laboratory accredited pursuant to 42 USCA 263a;

(3) "dialysis facility" means [~~an end-stage renal disease facility as defined pursuant to 42 C.F.R. 405.2102~~] a facility that provides outpatient maintenance dialysis services or home dialysis training and support services, including a facility considered by the federal centers for medicare and medicaid services to be an independent or hospital-based facility that includes a self-care dialysis unit that furnishes only self-dialysis services;

(4) "health care practitioner" means:

(a) an athletic trainer licensed pursuant to the Athletic Trainer Practice Act;

(b) an audiologist licensed pursuant to the Speech-Language Pathology, Audiology and Hearing Aid Dispensing Practices Act;

(c) a chiropractic physician licensed pursuant to the Chiropractic Physician Practice Act;

(d) a counselor or therapist practitioner licensed pursuant to the Counseling and Therapy Practice Act;

(e) a dentist licensed pursuant to the Dental Health Care Act;

(f) a doctor of oriental medicine licensed pursuant to the Acupuncture and Oriental Medicine

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

Practice Act;

(g) an independent social worker
licensed pursuant to the Social Work Practice Act;

(h) a massage therapist licensed
pursuant to the Massage Therapy Practice Act;

(i) a naprapath licensed pursuant to the
Naprathic Practice Act;

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

(k) an occupational therapist licensed
pursuant to the Occupational Therapy Act;

(l) an optometrist licensed pursuant to
the Optometry Act;

(m) an osteopathic physician licensed
pursuant to the Medical Practice Act;

(n) a pharmacist licensed pursuant to
the Pharmacy Act;

(o) a physical therapist licensed
pursuant to the Physical Therapy Act;

(p) a physician licensed pursuant to the
Medical Practice Act;

(q) a podiatrist licensed pursuant to
the Podiatry Act;

(r) a psychologist licensed pursuant to
the Professional Psychologist Act;

(s) a radiologic technologist licensed

.221818.1AIC February 3, 2022 (5:22pm)

underscoring material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight ←
delete = → bold, red, highlight, strikethrough ←

pursuant to the Medical Imaging and Radiation Therapy Health and Safety Act;

(t) a registered nurse licensed pursuant to the Nursing Practice Act;

(u) a respiratory care practitioner licensed pursuant to the Respiratory Care Act; and

(v) a speech-language pathologist licensed pursuant to the Speech-Language Pathology, Audiology and Hearing Aid Dispensing Practices Act;

(5) "home health agency" means a for-profit entity that is licensed by the department of health and certified by the federal centers for medicare and medicaid services as a home health agency and certified to provide medicare services;

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

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

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

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2022.